

**REMEMBER THE ALAMO FOUNDATION**

**Audited Financial Statements**

**June 30, 2016**

**AKIN, DOHERTY, KLEIN & FEUGE, P.C.**  
*Certified Public Accountants*

**REMEMBER THE ALAMO FOUNDATION**  
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## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Remember the Alamo Foundation  
San Antonio, Texas

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Remember the Alamo Foundation, which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the period of inception July 6, 2015 through June 30, 2016, 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 U.S. generally accepted accounting principles. 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 audit. We conducted our audit in accordance with U. S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

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*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Remember the Alamo Foundation as of June 30, 2016, and the results of its activities, functional expenses, and cash flows for the period of inception July 6, 2015 through June 30, 2016 in accordance with U.S. generally accepted accounting principles.

  
Akin, Doherty, Klein & Feuge, P.C.

San Antonio, Texas  
September 23, 2016

**REMEMBER THE ALAMO FOUNDATION**  
**Statement of Financial Position**  
**June 30, 2016**

	<u>2016</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 26,043
<b>Total Assets</b>	<u>\$ 26,043</u>
 <b>LIABILITIES AND NET ASSETS</b>	
Liabilities:	
Accounts payable	\$ 1,250
Net Assets:	
Unrestricted (deficit)	(1,202)
Temporarily restricted	<u>25,995</u>
<b>Total Net Assets</b>	<u>24,793</u>
 <b>Total Liabilities and Net Assets</b>	 <u>\$ 26,043</u>

*See notes to audited financial statements.*

**REMEMBER THE ALAMO FOUNDATION**  
**Statement of Activities**  
**Year Ended June 30, 2016**

	<u>Unrestricted (Deficit)</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenue and Other Support</b>			
Contributions	\$ -	\$ 25,995	\$ 25,995
Other revenue	<u>67</u>	<u>-</u>	<u>67</u>
Total revenue and other support	67	25,995	26,062
<b>Expenses</b>			
Program services	-	-	-
Management and general	1,269	-	1,269
Fundraising	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>1,269</u>	<u>-</u>	<u>1,269</u>
<b>Change in Net Assets</b>	(1,202)	25,995	24,793
Net assets released from restrictions	-	-	-
Net assets at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets at End of Year</b>	<u>\$ (1,202)</u>	<u>\$ 25,995</u>	<u>\$ 24,793</u>

*See notes to audited financial statements.*

**REMEMBER THE ALAMO FOUNDATION**

**Statement of Functional Expenses**

**Year Ended June 30, 2016**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Accounting fees	\$ -	\$ 1,250	\$ -	\$ 1,250
Bank fees	<u>-</u>	<u>19</u>	<u>-</u>	<u>19</u>
Total expenses	<u>\$ -</u>	<u>\$ 1,269</u>	<u>\$ -</u>	<u>\$ 1,269</u>

*See notes to audited financial statements.*

**REMEMBER THE ALAMO FOUNDATION**

**Statement of Cash Flows**  
**Year Ended June 30, 2016**

	<u>2016</u>
<b>Operating Activities</b>	
Change in net assets	\$ 24,793
Change in operating liabilities:	
Accounts payable	<u>1,250</u>
Net cash provided by operating activities	<u>26,043</u>
Net change in cash and cash equivalents	26,043
Cash and cash equivalents at beginning of year	<u>-</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u><u>\$ 26,043</u></u>

**Supplemental Disclosures**

Cash paid for interest	\$ -
Cash paid for income taxes	-

*See notes to audited financial statements.*



**REMEMBER THE ALAMO FOUNDATION**  
**Notes to Audited Financial Statements**  
**June 30, 2016**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Organization:* Remember the Alamo Foundation (the Foundation) began operations on July 6, 2015 as a Texas 501(c)3 non-profit tax exempt corporation. The Commissioner of the State of Texas General Land Office (GLO) has the authority to nominate members of the Board of Directors. The Foundation was created for charitable and educational purposes, and is committed to fundraising for the development of a long-range plan for The Alamo and the adjacent property surrounding the current Alamo footprint.

Alamo Complex Management and The Alamo Endowment are considered related parties to the Foundation. Both are 501(c)3 organizations with Boards appointed by the GLO and which also have as an overarching mission the historical preservation of The Alamo in San Antonio, Texas.

*Basis of Presentation:* The accompanying financial statements are prepared on the accrual basis of accounting in accordance with U. S. generally accepted accounting principles. The period of inception, July 6, 2015 to June 30, 2016 is considered a "year" within these financial statements.

Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Unrestricted:* Net assets that are not subject to donor-imposed restrictions.

*Temporarily Restricted:* Net assets subject to donor-imposed restrictions that fall outside the normal and reoccurring management and preservation of The Alamo, and will be met by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*Permanently Restricted:* Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets as of June 30, 2016.

*Revenue Recognition:* Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by donor stipulation or by law.

*Contributions:* Contributions are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit their use to something outside the normal and reoccurring management and preservation of the Alamo. When the donor restriction is satisfied (as to either time or purpose), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying statement of activities as net assets released from restrictions. All unconditional contributions are included in revenue of unrestricted net assets at the time they are received.

Gifts of equipment and other similar assets are reported at estimated fair value as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

*Cash and Cash Equivalents:* Cash and cash equivalents consist of demand deposits and other cash accounts held by financial institutions with a maturity of three months or less.

**REMEMBER THE ALAMO FOUNDATION**  
**Notes to Audited Financial Statements**  
**June 30, 2016**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

*Functional Allocation of Expenses:* The costs of providing the services and other activities of the Foundation have been summarized on a functional basis and reported in the statement of functional expenses.

*Income Taxes:* The Foundation is a non-profit organization exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. The Foundation is not a "private foundation"; accordingly, donors of money and/or property are entitled to the maximum charitable contribution deduction allowed by law. The Foundation is not subject to Texas margin tax. Management is not aware of any tax positions that would have a significant impact on its financial position. Its tax returns since inception remain subject to examination.

*Concentrations of Credit Risk:* The Foundation has concentrations of credit risk with respect to its cash and cash equivalents. The Foundation maintains cash deposits with major banks which, from time-to-time, may exceed federally insured limits. The Foundation periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal.

*Subsequent Events:* Subsequent events have been evaluated by management through the date of the independent auditor's report. There are no material subsequent events to disclose in a separate footnote to these financial statements.

*New Accounting Pronouncements:* In May 2014, the Financial Accounting Standards Board (FASB) issued a new accounting pronouncement regarding revenue recognition effective for reporting periods beginning after December 15, 2018. Management does not expect the new standard to have a significant impact to its financial position, results of operations and related disclosures.

In February 2016, the FASB issued a new accounting pronouncement regarding lease accounting for reporting periods beginning after December 15, 2019. A lessee will be required to recognize on the balance sheet the assets and liabilities for leases with lease terms of more than 12 months. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

In August 2016, the FASB issued a new accounting pronouncement regarding reporting and disclosure requirements for not-for-profit organizations, effective for periods beginning after December 15, 2017, with early application permitted. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

*Use of Estimates:* The preparation of the financial statements in conformity with U.S. GAAP 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 revenues and expenses during the reporting periods. Actual results could differ from those estimates.

**REMEMBER THE ALAMO FOUNDATION**  
**Notes to Audited Financial Statements**  
**June 30, 2016**

**NOTE B – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the following at June 30:

	<u>2016</u>
Purpose restricted (included in cash):	
Multi-spectral imaging in the Alamo Sacristy	\$ 25,200

**NOTE C – RELATED PARTY TRANSACTIONS**

From time to time, Remember the Alamo Foundation incurs expenses for legal services rendered by the attorneys of the Alamo entities and accounting fees for services provided by the Foundation's third-party bookkeeper. These invoices are often paid by The Alamo Endowment, a related entity of the Foundation. Total payments made by The Alamo Endowment on behalf of the Foundation approximated \$38,000 in 2016.