

**Captain Erick Foster  
Memorial Ride  
D/B/A Team Foster**

Financial Statements  
Year Ended December 31, 2018



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**CAPTAIN ERICK FOSTER MEMORIAL RIDE  
D/B/A TEAM FOSTER**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

**Board of Directors  
Captain Erick Foster Memorial Ride  
d/b/a Team Foster  
Philadelphia, Pennsylvania**

Management is responsible for the accompanying financial statements of Captain Erick Foster Memorial Ride d/b/a Team Foster (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements in accordance with U.S. generally accepted accounting principles. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

BBD, LLP

**Philadelphia, Pennsylvania  
September 2, 2021**

**CAPTAIN ERICK FOSTER MEMORIAL RIDE  
D/B/A TEAM FOSTER**

**STATEMENT OF FINANCIAL POSITION**

**December 31, 2018**

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**ASSETS**

Cash \$ 174,683

**Total assets** \$ 174,683

**LIABILITIES**

\$ -

**NET ASSETS WITHOUT DONOR RESTRICTIONS**

174,683

**Total liabilities and net assets** \$ 174,683

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*See accompanying notes and independent accountant's compilation report*

**CAPTAIN ERICK FOSTER MEMORIAL RIDE  
D/B/A TEAM FOSTER**

**STATEMENT OF ACTIVITIES**

**Year ended December 31, 2018**

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**REVENUE AND SUPPORT**

Contributions	\$ 72,299
Special events revenue	134,311
Less: direct benefit to donor costs	<u>(24,469)</u>
<b>Total special events</b>	<u>109,842</u>
<b>Total revenue and support</b>	<u>182,141</u>

**EXPENSES**

Program services	26,357
Supporting services	
General and administrative	7,759
Fundraising	<u>10,762</u>
<b>Total expenses</b>	<u>44,878</u>

**CHANGE IN NET ASSETS** 137,263

**NET ASSETS WITHOUT DONOR RESTRICTIONS**

Beginning of year	<u>37,420</u>
<b>End of year</b>	<u>\$ 174,683</u>

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*See accompanying notes and independent accountant's compilation report*

**CAPTAIN ERICK FOSTER MEMORIAL RIDE  
D/B/A TEAM FOSTER**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year ended December 31, 2018

	<u>Supporting Services</u>			<u>Direct Benefit to Donor Costs</u>	<u>Total</u>
	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>		
Advertising	\$ -	\$ -	\$ 9,153	\$ -	\$ 9,153
Contributions	26,357	-	-	-	26,357
Insurance	-	-	768	-	768
Office expenses	-	1,459	-	-	1,459
Shirts, supplies & other event costs	-	3,680	841	24,469	28,990
Transaction fees	-	649	-	-	649
Miscellaneous expenses	-	1,971	-	-	1,971
<b>Total expenses</b>	<u>\$ 26,357</u>	<u>\$ 7,759</u>	<u>\$ 10,762</u>	<u>\$ 24,469</u>	69,347
Less: direct benefit to donor costs					<u>(24,469)</u>
<b>Total expenses as reported on the statement of activities</b>					<u>\$ 44,878</u>

See accompanying notes and independent accountant's compilation report

**CAPTAIN ERICK FOSTER MEMORIAL RIDE  
D/B/A TEAM FOSTER**

**STATEMENT OF CASH FLOWS**

Year ended December 31, 2018

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<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<i>Change in net assets</i>	<u>\$ 137,263</u>
Net increase in cash and net cash provided by operating activities	<u>137,263</u>
<b>CASH</b>	
Beginning of year	<u>37,420</u>
End of year	<u>\$ 174,683</u>

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See accompanying notes and independent accountant's compilation report

# CAPTAIN ERICK FOSTER MEMORIAL RIDE D/B/A TEAM FOSTER

## NOTES TO FINANCIAL STATEMENTS

December 31, 2018

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### (1) NATURE OF OPERATIONS

Captain Erick Foster Memorial Ride d/b/a Team Foster ("**Team Foster**") is a nonprofit organization established to raise money to partner service dogs with tri-state area veterans suffering from combat-related disabilities including post-traumatic stress disorder (**PTSD**) and traumatic brain injury (**TBI**). Team Foster ensures these dogs are obtained, cared for, and provided special training at no cost to veterans.

### (2) SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("**GAAP**"). As a result, revenues are recognized when earned and expenses are recognized when incurred.

#### **Financial Statement Presentation**

Team Foster reports information regarding its financial position and activities according to the following classes of net assets:

##### ***Without donor restrictions***

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

##### ***With donor restrictions***

Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of Team Foster and/or passage of time. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Also included in this category are net assets subject to donor-imposed restrictions that net assets be maintained indefinitely while permitting Team Foster to expend the income generated in accordance with the provisions of the contribution.

At December 31, 2018, there were no net assets with donor restrictions.

#### **Accounting Estimates**

In preparing financial statements in conformity with GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

#### **Special Event Revenue**

Special event revenue that is refundable is recognized during the period in which the related event is held. Special event revenue that is not refundable is recognized when received. Accordingly, refundable revenue received for special events that are held subsequent to year end is deferred.

During 2018, Team Foster received approximately 58% of its total revenue in connection with two special events.

# CAPTAIN ERICK FOSTER MEMORIAL RIDE D/B/A TEAM FOSTER

## NOTES TO FINANCIAL STATEMENTS

December 31, 2018

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### **Contributions**

Contributions received are recorded as net assets without donor restrictions or with donor restrictions depending on the absence or existence and nature of any donor restrictions. Donor-restricted contributions whose restrictions are satisfied in the same period are reported as net assets without donor restrictions.

Unconditional contributions are recognized when the related promise to give is received. Conditional contributions are recognized when the conditions are satisfied.

### **Functional Allocation of Expenses**

The costs of providing the program and supporting services have been summarized on a functional basis in the statements of activities and functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. None of Team Foster's expenses required allocation.

### **Income Tax Status**

Team Foster is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to Team Foster's tax-exempt purpose is subject to taxation as unrelated business income. In addition, Team Foster qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1).

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their tax returns. GAAP prescribes a minimum threshold that a tax position is required to meet in order to be recognized in the financial statements. Team Foster believes that it had no uncertain tax positions as defined in GAAP.

### **Concentrations of Credit Risk**

Cash is a financial instrument which potentially subjects Team Foster to a concentration of credit risk. Team Foster maintains its cash at a single financial institution. At times, such deposits may exceed federally insured limits. Team Foster has not experienced any losses on its deposits.

### **Contributed Services**

Team Foster receives contributed services from many volunteers. The value of their contributed services is not reflected in the financial statements since such services do not meet the criteria for recognition under GAAP.

### **Accounting Pronouncements Adopted**

On August 18, 2016, the Financial Accounting Standards Board (*FASB*) issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. Team Foster has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of Team Foster's financial statements:

- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a statement of functional expenses providing analysis of expenses by functional and natural expense classifications.
- The financial statements include a new disclosure about liquidity and availability of resources (**Note 3**).

**CAPTAIN ERICK FOSTER MEMORIAL RIDE  
D/B/A TEAM FOSTER**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2018**

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**(3) LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following reflects Team Foster's financial assets as of the statement of financial position date, which are all available for general expenditures within one year.

Cash	<u>\$174,683</u>
Total financial assets available within one year	<u>\$174,683</u>

**(4) SUBSEQUENT EVENTS**

Management has evaluated subsequent events through September 2, 2021, the date on which the financial statements were available to be issued. The extent of the impact of COVID-19 on Team Foster's operational and financial performance will depend on further developments, including the duration and spread of the outbreak, all of which cannot be predicted at this time. No other material subsequent events have occurred since December 31, 2018 that require recognition or disclosure in the financial statements.