



CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

50 HURT PLAZA SE SUITE 1438 • ATLANTA, GA 30303 • (404) 214-5007 office • www.prestoncpa.com

LUTZIE 43 FOUNDATION
(A NON-PROFIT ORGANIZATION)
REVIEWED FINANCIAL STATEMENTS
FOR THE YEAR ENDING December 31, 2017
AND
INDEPENDENT ACCOUNTANT'S REPORT

Prepared by:

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LUTZIE 43 FOUNDATION
(A NON-PROFIT ORGANIZATION)

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INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of
Lutzie 43 Foundation
c/o Michael Lutzenkirchen
2840 Landing Way
Marietta, GA 30066

We have reviewed the accompanying financial statements of Lutzie 43 Foundation which comprise the statement of financial position as of December 31, 2017 and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to be "J. De..."

Preston CPA P.C.
October 7, 2018

**LUTZIE 43 FOUNDATION
STATEMENTS OF FINANCIAL POSITION
FOR THE YEAR ENDING DECEMBER 31, 2017**

ASSETS

	<u>2017</u>
CURRENT ASSETS	
Cash and Cash Equivalents	\$455,596
Accounts Receivable	14,643
Other Receivable	488
Investments	<u>2,573</u>
TOTAL CURRENT ASSETS	<u>\$473,300</u>
TOTAL ASSETS	<u>\$473,300</u>

LIABILITIES & OWNER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$16,547
Credit Card Payable	4,540
Deferred Revenues	11,012
Scholarships Payable	10,787
Accrued Expenses	<u>1,056</u>
TOTAL LIABILITIES	<u>\$43,942</u>

NET ASSETS

Unrestricted Net Assets	\$307,562
Net Income (Loss)	<u>\$121,796</u>
TOTAL NET ASSETS	<u>\$429,358</u>

TOTAL LIABILITIES & NET ASSETS	<u>\$473,300</u>
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See accompanying notes and Independent Accountant's Report

**LUTZIE 43 FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDING DECEMBER 31, 2017**

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
REVENUES & GRANTS				
Direct Public Grants:				
Foundation Grants	-	\$5,000	-	\$5,000
Direct Public Support:				
Donations (General)	-	128,351		128,351
Corporate Sponsorship	-	5,000	-	5,000
Fundraiser Events	241,439			241,439
Program Income	147,433	-	-	147,433
Total Direct Revenue				
Interest Income	245	-	-	245
Miscellaneous Income	1,068			1,068
Net assets released from res	<u>138,351</u>	<u>(138,351)</u>		-
TOTAL REVENUES	<u>\$528,536</u>	<u>\$0</u>	<u>\$0</u>	<u>\$528,536</u>
GROSS PROFIT	\$528,536			\$528,536
PROGRAM EXPENSES:				
Management Fees	\$89,016			\$89,016
Travel & Meetings	15,074			15,074
Salaries & Wages - Program	67,960			67,960
Facility & Communication	65,343			65,343
Scholarship & Gift Awards	41,563			41,563
Apparel	20,281			20,281
Other Program Expenses	<u>4,661</u>			<u>4,661</u>
Total Program Expenses	\$303,898			\$303,898
Fundraising Expenses	12,453			12,453
MANAGEMENT EXPENSES:				
Admin Salaries	29,126			29,126
Insurance	7,680			7,680
Marketing	3,323			3,323
Other G&A Expenses	<u>50,260</u>			<u>50,260</u>
Total Management Expenses	<u>\$90,389</u>			<u>\$90,389</u>
TOTAL EXPENSES	\$406,740			\$406,740
Change in net assets	\$121,796			\$121,796
Unrestricted Net Assets	307,562			307,562
Net Assets, End of year	<u>\$429,358</u>			<u>\$429,358</u>

See accompanying notes and Independent Accountant's Report

**LUTZIE 43 FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2017**

2017

CASH FLOWS FROM RATING ACTIVITIES

Net Income	\$121,796
Adjustments to reconcile net income to net cash Provided by operating activities:	
Change in Accounts & Other Receivables	10,557
Change in Investments	(2,028)
Change in Accounts Payables	16,547
Change in Other Liabilities	4,540
Change in Deferred Revenue	11,012
Change in Scholarship Payable	10,787
Change in Accrued expenses	(28,924)
 Net cash provided by operating activities	 \$123,171
 NET INCREASE (DECREASE) IN CASH	 \$123,171
 CASH AND CASH EQUIVALENTS, BEG OF YEAR	 <u>\$332,425</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$455,596</u>

See accompanying notes and Independent Accountant's Report

**LUTZIE 43 FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2017**

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

A.) Nature of Business

Lutzie 43 Foundation was established in loving memory of Philip Lutzenkirchen shortly after his death in 2014. The objective of the Foundation is to pass on Philip’s many remarkable characteristics in terms of community service, leadership, and service to others. The Foundation’s motto for young students and athletes is to “Live like Lutz, Love like Lutz, and Learn from Lutz”, reflecting our desire to help others live out the many positive character attributes that Philip displayed, while learning from the circumstances that led to his death. The curriculum is designed to be flexible to be used in many forums, from one day events to off-season (or in season) programs. Participants in the program will be eligible to purse “Lutzie Scholarships” rewarding individuals displaying outstanding character in their communities.

B.) Basis of Accounting

The Financial Statements of the organization have been prepared on the accrual basis in accordance with Generally Accepted Accounting Principles. Income is recognized when earned by the Organization.

C.) Financial Statement Presentation

The organization adopted Statement of Financial Accounting Standards SFAS No 117, “Financial Statements of Not-for-Profit Organizations.” Under SFAS No. 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the organization is required to present a statement of cash flows. The organization has discontinued its use of fund accounting and, accordingly has reclassified its financial statements to present the three classes of net assets.

D.) Cash and Cash Equivalents

For purposes of reporting cash flows, cash is defined as cash on hand, amounts held at Financial Institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. The Organization does not hold short-term investments that will mature three months or less.

See Independent Accountant’s Report

**LUTZIE 43 FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2017**

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

E.) Property and Equipment

Equipment, furniture, and fixtures are stated at cost. Expenditures for maintenance and repairs are charged to expenses as incurred. Any cost to extend the lives of property is capitalized. Depreciation of property and equipment is computed using the straight line, method over five to fifteen years. The organization does not have major fixed assets listed on the books. Depreciation for the year ended December 31, 2017 is \$0.

F.) Contributions

The organization also adopted SFAS No 116, “Accounting for Contributions Received and Contributions Made,” whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

G.) Estimates in Financial Statements

The preparation of financial statements in conformity with general accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates

NOTE 2 – INCOME TAXES

Lutzie 43 Foundation files its annual income tax returns as a non-profit organization for federal and state tax purposes. It is under Section 501 (c)(3) code section of the Internal Revenue Code. As such, the organization is exempt from paying federal and state taxes. No provision for income taxes is being made on these financial statements.

See Independent Accountant’s Report

LUTZIE 43 FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDING DECEMBER 31, 2017

NOTE 3 – ATTESTATION OF REVENUE SOURCES

The organization derives its revenues from Direct Public Support and other contributions from the general public and other non-profit organizations. The total revenues (cash received) are \$528,536 of which \$11,012 represents Deferred Revenues for the year ended December 31, 2017. Also, the organization received other revenue and in-kind donations in the amount of \$0.

NOTE 4 – RELATED PARTY TRANSACTIONS

Lutzie 43 Foundation must comply with regulations. Those regulations require that all related party transactions be disclosed, regardless of their materiality to the financial statements. During the year ended December 31, 2017, there were no related party transactions.

NOTE 5 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances at Regions Bank located in Atlanta, Georgia. Accounts at the banking institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. The organization have a Money Market account with Regions Bank which holds an ending balance of \$328,917. During 2017, the Institution had no uninsured balances in the operating account which had a balance of \$126,679. This is not considered significant credit risk; however, future utilization of service is dependent on general support of program or grants which could affect the longevity of the organization if funds were not provided. There is no indication future funding will be reduced or withheld and the organization is showing significant growth.

NOTE 6 – SUBSEQUENT EVENT

As of the report date, there were no major subsequent events to report.

See Independent Accountant's Report