

IGNITE
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021



CPAs | CONSULTANTS | WEALTH ADVISORS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Ignite
Chicago, Illinois

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Ignite (the Organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ignite as of June 30, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ignite and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ignite's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

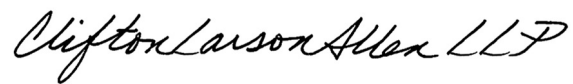
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ignite's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ignite's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors
Ignite

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2023, on our consideration of Ignite's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ignite's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ignite's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Oak Brook, Illinois
April 21, 2023

IGNITE
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

| ASSETS | 2022 | 2021 |
|---|--------------|--------------|
| CURRENT ASSETS | | |
| Cash and Cash Equivalents | \$ 1,869,792 | \$ 1,864,801 |
| Investments | 129,770 | 72,872 |
| Accounts Receivable | 348,512 | 535,478 |
| Pledge Receivables | 115,742 | 251,656 |
| Prepaid Expenses | 71,748 | 51,299 |
| Total Current Assets | 2,535,564 | 2,776,106 |
| PROPERTY AND EQUIPMENT | | |
| Land | 5,000 | 5,000 |
| Building and Improvements | 3,937,896 | 3,814,714 |
| Furniture and Equipment | 132,691 | 51,552 |
| Vehicles | 111,693 | 111,693 |
| Construction in Progress | - | 25,968 |
| Total, at Cost | 4,187,280 | 4,008,927 |
| Less: Accumulated Depreciation | 1,801,384 | 1,637,287 |
| Total Property and Equipment | 2,385,896 | 2,371,640 |
| NONCURRENT ASSETS | | |
| Pledge Receivables, Less Current Pledge Receivables Above | - | 121,065 |
| OTHER ASSETS | | |
| Deposits | 18,000 | 18,000 |
| Total Assets | \$ 4,939,460 | \$ 5,286,811 |

See accompanying Notes to Financial Statements.

IGNITE
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2022 AND 2021

| | 2022 | 2021 |
|---|--------------|--------------|
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 47,535 | \$ 45,554 |
| Accrued Payroll and Related Expenses | 164,106 | 129,531 |
| Current Maturities of Long-Term Debt | 84,496 | 370,957 |
| Other Liabilities and Refundable Advances | 75,414 | 58,130 |
| Total Current Liabilities | 371,551 | 604,172 |
| LONG-TERM LIABILITIES | | |
| Long-Term Debt, Less Current Maturities Above | 1,551,940 | 2,040,998 |
| Total Liabilities | 1,923,491 | 2,645,170 |
| NET ASSETS | | |
| Without Donor Restrictions: | | |
| Undesignated | 1,949,302 | 2,132,541 |
| Designated for Capital Improvements and Reserve | 325,000 | 100,000 |
| With Donor Restrictions | 741,667 | 409,100 |
| Total Net Assets | 3,015,969 | 2,641,641 |
| Total Liabilities and Net Assets | \$ 4,939,460 | \$ 5,286,811 |

See accompanying Notes to Financial Statements.

IGNITE
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2022

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|--------------|
| REVENUES, GAINS, AND PUBLIC SUPPORT | | | |
| Contributions | \$ 1,062,849 | \$ 671,667 | \$ 1,734,516 |
| Special Events | 383,308 | - | 383,308 |
| In-Kind Contributions | 129,126 | - | 129,126 |
| Program Service Fees | 26,920 | - | 26,920 |
| United Way of Metropolitan Chicago | 35,001 | - | 35,001 |
| Fees and Grants from Governmental Agencies | 1,606,866 | - | 1,606,866 |
| Investment Income | 1,223 | - | 1,223 |
| Gain on PPP Loan Forgiveness | 406,014 | - | 406,014 |
| Net Assets Released from Restrictions | 339,100 | (339,100) | - |
| Total Revenues, Gains, and Public Support | 3,990,407 | 332,567 | 4,322,974 |
| EXPENSES | | | |
| Program Services | 2,597,722 | - | 2,597,722 |
| Fundraising | 550,798 | - | 550,798 |
| Management and General | 800,126 | - | 800,126 |
| Total Expenses | 3,948,646 | - | 3,948,646 |
| CHANGE IN NET ASSETS | 41,761 | 332,567 | 374,328 |
| Net Assets - Beginning of Year | 2,232,541 | 409,100 | 2,641,641 |
| NET ASSETS - END OF YEAR | \$ 2,274,302 | \$ 741,667 | \$ 3,015,969 |

See accompanying Notes to Financial Statements.