

MEGAN MEIER FOUNDATION

FINANCIAL STATEMENTS

JUNE 30, 2015

TABLE OF CONTENTS

	<u>Page</u>
Financial Statements:	
Independent Auditors' Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11

INDEPENDENT AUDITORS' REPORT

To The Board of Directors of
Megan Meier Foundation
Saint Charles, Missouri

Report on the Financial Statements

We have audited the accompanying financial statement of Megan Meier Foundation, (the Organization), which comprise the statement of financial position as of June 30, 2015, and the related statement of activities, statement of functional expenses and statement of cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Organization's 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

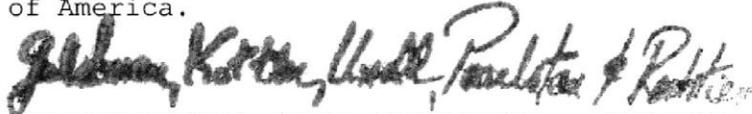
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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.

Board of Directors
Megan Meier Foundation
St. Charles, Missouri

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 Megan Meier Foundation, as of June 30, 2015, 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.



GOLDMAN KOTTLER UNELL PEARLSTEIN & RECHTIEN, LLC
St. Louis, Missouri

July 13, 2015

MEGAN MEIER FOUNDATION STATEMENT OF FINANCIAL POSITION JUNE 30, 2015

ASSETS

Current Assets			
Cash	\$107,421	Accounts Receivable	3,275
Prepaid Expenses			
		<u>542</u>	
Total Current Assets			111,238
Non-Current Assets			
Fixed Assets		<u>5,215</u>	
Total Non-Current Assets			<u>5,215</u>
Total Assets			<u>\$ 116,453</u>

LIABILITIES AND NET ASSETS

Liabilities			
Payroll Withholdings	\$ 4,521	Prepaid Revenue	
<u>3,000</u>			
Total Liabilities			7,521
Net Assets			
Unrestricted Net Assets			
Undesignated		51,511	
Board Designated		<u>57,421</u>	
Total Net Assets			<u>108,932</u>
Total Liabilities and Net Assets			<u>\$ 116,453</u>

MEGAN MEIER FOUNDATION

See accompanying notes.

-3-

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

UNRESTRICTED NET ASSETS

Unrestricted Revenues and Gains			
Contributions	\$ 51,355	Government Grants	10,100
Speaking Engagements	65,054		
Leadership Workshops		3,105	Fundraising Events
	118,702		
Miscellaneous Revenue	1,714	Interest Income	<u>135</u>
Total Revenues and Gains			<u>250,165</u>
Expenses			
Program services			186,041
Supporting services			
General and administrative			10,409
Fundraising			<u>51,043</u>
Total Expenses			<u>247,493</u>
Increase in Net Assets			2,672
Net Assets at Beginning of Year			<u>106,260</u>
Net Assets at End of Year			\$ <u>108,932</u>

See accompanying notes.

-4-

MEGAN MEIER FOUNDATION STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED
JUNE 30, 2015

	<u>Program</u> <u>Services</u>	<u>General</u> <u>and Admin-</u> <u>istrative</u>	<u>Fund-</u> <u>raising</u>	<u>Total</u>
Accounting Services	\$	\$ 4,078	\$	\$ 4,078
Advertising	1,138	27	61	1,226
Fundraising Events			23,826	23,823
Fundraising - In Kind Donations			18,748	18,748
Insurance		1,400		1,400
Leadership Conferences	1,446	Megan Meier		449
Day 449 Miscellaneous		401		7,620
7,219 Occupancy 10,418		247		11,222
Office Expenses 508 Salaries and		12	557	547
Wages 132,999 Payroll Taxes		3,150	27	143,257
10,504 Scholarships	5,000	244	7,108	11,325
Service/Registration Fees	205		577	5,000
Supplies	1,392			205
Telephone 2,224 Travel 9,534				1,392
Website 395 All Other Expenses		53	119	2,396
<u>2,610</u>		9	21	9,534
		<u>788</u>		425
			<u>\$ 51,043</u>	<u>3,398</u>
 Total Expenses	 <u>\$186,041</u>	 <u>\$ 10,409</u>		 <u>\$247,493</u>

MEGAN MEIER FOUNDATION

See accompanying notes.

-5-

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE
30, 2015

CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	
Change in Net Assets	\$ 2,672
Changes in Operating Assets and Liabilities:	
Decrease in Accounts Receivable Decrease	1,504
in Other Assets	308
Increase in Payroll Withholdings	618
Decrease in Prepaid Golf Revenue	<u>(5,825)</u>
Net Cash Used by Operating Activities	<u>(723)</u>
CASH FLOWS USED BY INVESTING ACTIVITIES	
Purchase of Fixed Assets	
	(5,215)
Net Cash Used by Investing Activities	<u>(5,215)</u>
Net Decrease in Cash and Cash Equivalents	
	<u>(5,215)</u>
Cash and Cash Equivalents at Beginning of Year	(5,938)
Cash and Cash Equivalents at End of Year	<u>113,359</u>
	<u>\$ 107,421</u>

Supplemental Disclosure:

Cash Paid for Interest	\$ <u>0</u>
Cash Paid for Income Taxes	\$ <u>0</u>

See accompanying notes.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015 Note 1
- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

The Organization was incorporated in the State of Missouri on December 12, 2007, as a not-for-profit corporation. If the Missouri Organization ceases to exist, its assets are distributed based upon the decision of the Board of Directors of the Organization. The Organization was formed to bring awareness, education, and promote positive change to children, parents, and educators in response to the ongoing bullying and cyberbullying in our children's daily environment. Programs include speaking engagements to students, parents, and educators in schools, leadership conferences, and community outreach. Revenue comes from fees for speaking engagements and conferences, direct donations, and fundraising events.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Financial Statement Presentation:

Megan Meier Foundation reports 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) based upon the existence or absence of donor-imposed restrictions.

Megan Meier Foundation reports contributions received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Fixed Assets:

MEGAN MEIER FOUNDATION

Fixed assets are carried at cost, if purchased, or at fair value, if donated, less accumulated depreciation computed using the straightline method over the estimated useful lives.

-7-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash Equivalents:

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within ninety (90) days of purchase.

Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes.

Non-Cash Donations:

The Organization records donations of securities, materials, facilities (and use thereof), and other non-monetary items at fair market value when received, provided the Organization has a clearly measurable and objective basis for determining their value. If values are not reasonably determinable, the donations are not recorded. The Organization recognized \$4,320 of additional rental income and expense on their below market lease, \$4,103 of income and expense on items donated for auction, discounts on event space, and other fundraising expenses during the year, and \$18,091 of other non-cash donations.

Expense Allocation:

Expenses are charged to program services and supporting activities on the basis of periodic time and expense studies. 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.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2015

Program Receivables:

The Organization has receivables from speaking engagements and other program activities. The Organization considers all to be collectible, so no allowance for doubtful accounts has been made.

Income Taxes:

The Organization is exempt from federal and state income tax under Internal Revenue Service code 501(c)(3) as a not-for-profit organization.

-8-

Note 2 - DONATED SERVICES

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization to develop the Organization's programs, principally in membership development, fund raising and other programs. Volunteer activities which do not meet the criteria for recognition of such volunteer efforts have not been recorded. \$3,820 of labor toward demo and construction of leasehold improvement was recognized and capitalized during 2015.

Note 3 - COMMITMENTS

The Organization entered into a three-year lease for office space in Saint Charles, Missouri expiring May 31, 2016.

At June 30, 2015, the minimum lease payments under the terms of all lease agreements were as follows:

	<u>For the Years Ended June 30,</u>	<u>Amount</u>
2016	<u>5,008</u>	
		<u>\$ 5,008</u>

The lease expense for office space for the year ended June 30, 2015, was \$9,000 which included a fair value donation adjustment of \$4,320. The foundation is in negotiations to renew their lease and expand their space.

Note 4 - OFF-STATEMENT OF FINANCIAL POSITION RISK AND CONCENTRATION OF CREDIT RISK

-9-

MEGAN MEIER FOUNDATION

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash, cash equivalents and investments held in financial institutions. At times such instruments may be in excess of FDIC, SIPC and third party insured limits.

Note 5 - REACH

During the year ended June 30, 2015, the Organization presented to 1,597 elementary school students, 12,729 middle school students, 16,747 high school students, and 8,551 parents, educators, and others at a total program cost of \$4.70 per unit.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2015

Note 6 - FIXED ASSETS

Fixed Assets consist of:

Leasehold improvements			<u>\$5,215</u>
	5,215	Less: accumulated depreciation	
<u>-</u>			<u>\$5,215</u>

There was no depreciation charged in 2015. Depreciation will begin upon completion of the improvement.

Note 7 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

In addition, non-cash donations of various auction items, prizes and office supplies, etc have been recorded in the statement of functional expenses as appropriate.

Functional expense percentages are as follows:

Program Services	75.17%
General and Administrative	4.21%
Fundraising	20.62%

If non-cash expenses of \$26,542 are ignored, the functional expense percentages are as follows:

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2015

Program Services	80.81%
General and Administrative	4.67%
Fundraising	14.52%

Note 8 - BOARD DESIGNATED NET ASSETS

The Organization has an operating checking account with a maximum balance of \$50,000. Any amount above \$50,000 is automatically transferred into an interest bearing checking account. These funds are considered cash equivalents, but management has designated cash balances in excess of \$50,000 for interest earning purposes.

Note 9 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through July 13, 2015, the date which the financial statements were available for issue.

Note 10 - UNCERTAIN INCOME TAX POSITIONS

The Financial Accounting Standards Board (FASB) has issued a financial reporting standard effective in 2011 that requires disclosure and possibly recognition of uncertain income tax positions in financial statements for all entities that report under U.S. generally accepted accounting principles, including tax-exempt organizations. For an exempt organization, an uncertain tax position might be one that potentially affects the organization's tax exempt status or that affects whether or not it is subject to unrelated business income tax on some of its revenue and the amount of such tax. Under current accounting standards, uncertain tax positions are required to be recorded and disclosed only if it is probable a claim will be asserted

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2015

and there is a reasonable possibility that the outcome will be unfavorable. Megan Meier Foundation believes it has no uncertain tax positions that qualify for either recognition or disclosure in its financial statements under current standards or the new standard. The organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The organization believes it is no longer subject to income tax examinations for years prior to 2011.