

MEGAN MEIER FOUNDATION

FINANCIAL STATEMENTS

JUNE 30, 2018



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Megan Meier Foundation

We have audited the accompanying financial statements of Megan Meier Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 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.

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.

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 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.

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, 2018, and the related statements of changes in net assets, functional expenses and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Hansen CPA, LLC

Florissant, Missouri
August 21, 2018

MEGAN MEIER FOUNDATION

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2018

		<u>ASSETS</u>	
Cash		\$ 285,932	
Accounts Receivable		10,018	
Prepaid Expenses		1,999	
Leasehold Improvements		<u>14,610</u>	
Total Assets			<u><u>\$ 312,559</u></u>
 <u>LIABILITIES AND NET ASSETS</u> 			
Liabilities			
Payroll Withholdings		\$ 4,505	
Prepaid Revenue		<u>7,905</u>	
Total Liabilities			12,410
Net Assets			
Without Donor Restrictions		<u>300,149</u>	
Total Net Assets			<u>300,149</u>
Total Liabilities and Net Assets			<u><u>\$ 312,559</u></u>

See accompanying notes.

MEGAN MEIER FOUNDATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

Changes in Net Assets Without Donor Restrictions

Revenues	
Contributions	\$ 84,661
Speaking Engagements	71,760
Leadership Workshops	5,712
Other Program Revenues	154,094
Fundraising Events	108,437
Miscellaneous Revenue	6,551
Government Grants	8,912
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Total Revenues	440,127
Expenses	
Program Services	211,881
Supporting Services	
General and Administrative	11,375
Fundraising	34,386
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Total Expenses	257,642
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Increase in Net Assets	182,485
Net Assets at Beginning of Year	117,664
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Net Assets at End of Year	\$ 300,149
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See accompanying notes.

MEGAN MEIER FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2018

	Resource Center	Speaking	Leadership Workshops	Other Programs	Total Program Services	General and Administrative	Fund-raising	Total
Accounting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,987	\$ -	\$ 4,987
Annual Appeal	-	-	-	-	-	-	731	731
Depreciation	2,133	1,091	910	358	4,492	105	210	4,807
Fundraising Events	-	-	-	-	-	-	25,917	25,917
Insurance	-	-	-	-	-	1,931	-	1,931
Leadership Conferences	-	-	7,662	-	7,662	-	-	7,662
Miscellaneous	5,219	2,670	2,227	877	10,993	-	-	10,993
Occupancy	9,840	4,550	3,795	1,494	19,679	460	920	21,059
Office Expenses	930	930	776	1,194	3,830	90	179	4,099
Resource Center	1,450	742	619	244	3,055	-	-	3,055
Salaries and Wages	58,859	30,113	25,115	9,889	123,976	2,900	5,796	132,672
Payroll Taxes	4,756	2,433	2,029	800	10,018	234	468	10,720
Supplies	2,047	1,047	873	344	4,311	-	-	4,311
Telephone	1,448	741	618	244	3,051	71	143	3,265
Therapist	8,616	-	-	-	8,616	-	-	8,616
Travel	-	9,521	-	-	9,521	-	-	9,521
Website	220	113	94	37	464	11	22	497
All Other Expenses	1,051	538	448	176	2,213	586	-	2,799
Total Expenses	<u>\$ 96,569</u>	<u>\$ 54,489</u>	<u>\$ 45,166</u>	<u>\$ 15,657</u>	<u>\$211,881</u>	<u>\$ 11,375</u>	<u>\$ 34,386</u>	<u>\$ 257,642</u>

See accompanying notes.

MEGAN MEIER FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in Net Assets	\$ 182,485
Adjustments to Reconcile Change in Net Assets to Net Cash Used By Operating Activities:	
Depreciation	4,807
Changes in Operating Assets and Liabilities	
Accounts Receivable	7,572
Prepaid Expenses	2,961
Payroll Withholdings	657
Prepaid Revenue	4,525
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Net Cash provided by Operating Activities	203,007
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Net Increase in Cash and Cash Equivalents	203,007
Cash and Cash Equivalents at Beginning of Year	82,925
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Cash and Cash Equivalents at End of Year	\$ 285,932
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Supplemental Disclosure:	
Cash Paid for Interest	\$ -
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Cash Paid for Income Taxes	\$ -
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See accompanying notes.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

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 counseling, 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, grants, 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 assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, assets with donor restrictions are reclassified to assets without donor restrictions.

Financial Statement Presentation:

Megan Meier Foundation reports information regarding its financial position and activities according to two classes of net assets (with and without donor restrictions) based upon the existence or absence of donor-imposed restrictions.

Megan Meier Foundation reports contributions received as with or without restrictions 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:

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

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. There are no restrictions on cash from donors or from the board at year end.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Note 1—NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES(continued)

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 support with donor restrictions that increases that net asset class.

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 \$8,211 of additional rental income and expense on their below market lease.

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.

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.

Note 2—ACCOUNTING CHANGES

The Organization has adopted ASC 958 Not-for-Profit Entities which requires net assets to be reported with and without donor restrictions. There were no changes to prior year asset balances as a result.

Note 3—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.

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

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. The Organization does not consider cash balances to be at significant risk.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Note 4—COMMITMENTS

During 2017, the Organization entered into a five-year lease for office space in Saint Charles, Missouri expiring July 31, 2021.

At June 30, 2018, the minimum lease payments under the terms of all lease agreements were as follows:

<u>For the year Ended June 30,</u>	<u>Amount</u>
2019	\$ 10,278
2020	10,792
2021	11,331
2022	948
	<u>\$ 33,349</u>

The lease expense for office space for the year ended June 30, 2018, was \$18,000 which included a fair value donation adjustment of \$8,211.

Note 5—REACH

During the year ended June 30, 2018, the Organization presented to 3,043 elementary school students, 14,367 middle school students, 24,795 high school students, and 6,818 parents, educators, and others at a total program cost of \$4.32 per unit.

Note 6—FIXED ASSETS

Fixed Assets consist of:

Leasehold Improvements	\$ 24,073
Less: accumulated depreciation	<u>9,463</u>
	<u>\$ 14,610</u>

Depreciation was \$4,807 for the year ended June 30, 2018.

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. Costs which cannot be directly identified are allocated by hours worked.

MEGAN MEIER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Note 7—FUNCTIONAL ALLOCATION OF EXPENSES(continued)

Functional expense percentages are as follows:

Program Services	82.24%
General and Administrative	4.42%
Fundraising	13.35%

Note 8—SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 21, 2018, the date which the financial statements were available for issue.

Note 9—UNCERTAIN INCOME TAX POSITIONS

The Financial Accounting Standards Board (FASB) has issued a financial reporting standard effective in 2013 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 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 2014.