

**WYMAN CENTER, INC.
ST. LOUIS, MISSOURI**

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

**WYMAN CENTER, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Wyman Center, Inc.
St. Louis, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Wyman Center, Inc. which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 of 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 auditors' 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 Wyman Center, Inc. as of December 31, 2013 and 2012, 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.

Report on the Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

St. Louis, Missouri
June 9, 2014

WYMAN CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 800,237	\$ 791,430
Investments	2,362,124	431,214
Accounts Receivable, Net	233,534	94,696
Unconditional Promises to Give	945,456	1,059,418
Inventory	21,982	23,876
Prepaid Expenses	19,933	75,994
Total Current Assets	4,383,266	2,476,628
UNCONDITIONAL PROMISES TO GIVE - LONG-TERM	184,632	11,848
PROPERTY AND EQUIPMENT, NET	5,508,006	5,652,638
INTANGIBLE ASSETS, NET	31,314	34,841
BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUST	128,923	116,172
ASSETS RESTRICTED FOR PERMANENT INVESTMENT	1,956,754	3,368,886
Total Assets	\$ 12,192,895	\$ 11,661,013
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Line of Credit	\$ 551,324	\$ 213,844
Current Maturities of Long-Term Debt	157,820	151,691
Accounts Payable	23,908	43,689
Accrued Expenses	51,504	92,773
Deferred Revenue	49,673	77,211
Liability under Trust Agreement - Short Term	15,800	15,800
Total Current Liabilities	850,029	595,008
LIABILITY UNDER TRUST AGREEMENT - LONG-TERM	66,039	70,473
LONG-TERM DEBT, LESS CURRENT MATURITIES	1,780,902	1,938,623
Total Liabilities	2,696,970	2,604,104
NET ASSETS		
Unrestricted	5,074,457	3,844,182
Temporarily Restricted	2,335,791	1,727,669
Permanently Restricted	2,085,677	3,485,058
Total Net Assets	9,495,925	9,056,909
Total Liabilities and Net Assets	\$ 12,192,895	\$ 11,661,013

See accompanying Notes to Financial Statements.

WYMAN CENTER, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES AND SUPPORT				
Program Fees	\$ 1,964,586	\$ -	\$ -	\$ 1,964,586
Grants and Contributions:				
United Way Services Funding	657,285	5,000	-	662,285
Missouri Youth Opportunity Program	99,441	101,736	-	201,177
Capital Campaign Contributions	-	-	-	-
Grants and Fees from Government Agencies	11,838	-	-	11,838
Special Events (Net of Direct Expenses of \$115,495 and \$84,299, Respectively)	237,488	-	-	237,488
Other Grants and Contributions	632,522	523,717	100,619	1,256,858
Total Grants and Contributions	<u>1,638,574</u>	<u>630,453</u>	<u>100,619</u>	<u>2,369,646</u>
Investment Income:				
Interest and Dividends	6,681	102,668	-	109,349
Realized Gain on Sale of Investments	120,114	919,427	-	1,039,541
Unrealized (Loss) Gain on Investments	(28,389)	(413,424)	-	(441,813)
Total Investment Income	<u>98,406</u>	<u>608,671</u>	<u>-</u>	<u>707,077</u>
Miscellaneous Income	13,484	-	-	13,484
Change in Value of Split-Interest Agreements	-	1,385	-	1,385
Change in Donor Restriction	1,500,000	-	(1,500,000)	-
Assets Released from Restrictions	632,387	(632,387)	-	-
Total Revenues and Support	<u>5,847,437</u>	<u>608,122</u>	<u>(1,399,381)</u>	<u>5,056,178</u>
EXPENSES				
Program Services	4,074,364	-	-	4,074,364
General and Administrative	146,599	-	-	146,599
Fundraising	396,199	-	-	396,199
Total Expenses	<u>4,617,162</u>	<u>-</u>	<u>-</u>	<u>4,617,162</u>
CHANGE IN NET ASSETS	1,230,275	608,122	(1,399,381)	439,016
NET ASSETS, BEGINNING OF YEAR	<u>3,844,182</u>	<u>1,727,669</u>	<u>3,485,058</u>	<u>9,056,909</u>
NET ASSETS, END OF YEAR	<u><u>\$ 5,074,457</u></u>	<u><u>\$ 2,335,791</u></u>	<u><u>\$ 2,085,677</u></u>	<u><u>\$ 9,495,925</u></u>

See accompanying Notes to Financial Statements.

2012			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 2,116,886	\$ -	\$ -	\$ 2,116,886
649,285	8,000	-	657,285
139,141	105,182	-	244,323
-	2,628	-	2,628
81,302	-	-	81,302
242,216	-	-	242,216
632,159	301,734	-	933,893
<u>1,744,103</u>	<u>417,544</u>	<u>-</u>	<u>2,161,647</u>
34,989	118,396	-	153,385
40,611	152,174	-	192,785
69,384	127,194	-	196,578
<u>144,984</u>	<u>397,764</u>	<u>-</u>	<u>542,748</u>
24,588	-	-	24,588
-	(4,628)	-	(4,628)
-	19,589	(19,589)	-
<u>747,824</u>	<u>(747,824)</u>	<u>-</u>	<u>-</u>
4,778,385	82,445	(19,589)	4,841,241
4,252,463	-	-	4,252,463
162,552	-	-	162,552
472,713	-	-	472,713
<u>4,887,728</u>	<u>-</u>	<u>-</u>	<u>4,887,728</u>
(109,343)	82,445	(19,589)	(46,487)
<u>3,953,525</u>	<u>1,645,224</u>	<u>3,504,647</u>	<u>9,103,396</u>
<u>\$ 3,844,182</u>	<u>\$ 1,727,669</u>	<u>\$ 3,485,058</u>	<u>\$ 9,056,909</u>

See accompanying Notes to Financial Statements.

WYMAN CENTER, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 439,016	\$ (46,487)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation and Amortization	238,483	212,604
Contributed Investments	(20,603)	(60,997)
Contributions Restricted for Permanent Endowment	(100,619)	-
Realized/Unrealized Gain on Investments	(597,728)	(389,363)
Change in Value of Split-Interest Agreements	(12,751)	(6,810)
Provision for Bad Debt	22,098	24,755
Changes in Assets and Liabilities:		
Accounts Receivable	(160,937)	106,381
Unconditional Promises to Give	(58,822)	260,975
Inventory	1,894	4,215
Prepaid Expenses	56,061	(5,845)
Accounts Payable	(19,781)	(2,813)
Accrued Expenses	(41,269)	29,224
Deferred Revenue	(27,538)	31,551
Liabilities under Trust Agreement	(4,434)	(4,362)
Net Cash Provided by (Used in) Operating Activities	(286,930)	153,028
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(109,349)	(156,423)
Proceeds from Sale of Investments	208,902	1,479,030
Purchases/Construction of Property and Equipment	(90,323)	(865,431)
Net Cash Provided by Investing Activities	9,230	457,176
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Activity on Line of Credit	337,480	27,357
Contributions Restricted for Permanent Endowment	100,619	-
Principal Payments on Long-Term Debt	(151,592)	(134,099)
Principal Payments on Capital Lease Obligation	-	(7,511)
Net Cash Provided by (Used in) Financing Activities	286,507	(114,253)
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,807	495,951
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	791,430	295,479
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 800,237	\$ 791,430
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest Paid	\$ 105,139	\$ 170,554

See accompanying Notes to Financial Statements.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Wyman Center, Inc. (Wyman) is a St. Louis County, Missouri based, national, not-for-profit expert in developing teens. Wyman takes the best teen development theory and makes it real and effective in a way that builds fully prepared teens. Wyman consistently provides a time-tested approach with four key components. Wyman creates interactive peer group experiences; delivers curriculum that is engaging, relevant and challenging; provides community service learning; and makes sure there is strong support from adults as positive role models. This inspires and enables thousands of teens across the country to lead successful lives and build strong communities.

Basis of Accounting

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

Basis of Presentation

Financial statement presentation follows the requirements of the Accounting Standards Codification (ASC) 958-205, *Not-for-Profit Presentation of Financial Statements*. Under ASC 958-205, Wyman is required to report 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. Unrestricted net assets includes all net assets which are neither temporarily nor permanently restricted. Temporarily restricted net assets includes contributed net assets for which donor imposed time and purpose restrictions have not been met and the ultimate purpose of the contribution is not permanently restricted. Permanently restricted net assets includes contributed net assets which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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 those estimates.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Programs and Supporting Services

The following programs and supporting services are included in the accompanying financial statements:

Program services

Wyman Teen Leadership Program

With a progressive leadership theme and an intensive summer experience based out of our Eureka campus (historic Kiwanis Camp Wyman), the Teen Leadership Program (TLP) engages teens year-round. Teens participate in four community-learning experiences during the school year, fulfill volunteerism expectations and develop an individual Leadership Plan. Through this program, they gain the experiences, skills and values needed to act as contributing students, family members, employees and citizens.

Each year, the South Side Lions Mane Event Young Lion Leader Scholarships enable several rising ninth graders to enter Wyman's six-year Teen Leadership Program.

Wyman Teen Outreach Program © (TOP)

The Wyman Teen Outreach Program (TOP) is a nationally recognized and replicated evidence based program that promotes the positive development of adolescents through curriculum-guided, interactive group discussions and community service learning. Proven highly effective in increasing school success and reducing negative behaviors, the program is grounded by contemporary research and decades of experience to support the developmental, social and educational needs of teens, ages 12-17.

The South Side Lions Mane Event helps provides middle and high school students with access to TOP.

TOP is expanding throughout the St. Louis region and the nation, currently reaching thousands of teens in the USA through Wyman's national network. With support from The Wyman Institute for Teen Development, Wyman is building the capacity of youth workers and youth serving organizations to consistently deliver programs and services that prepare young people to lead successful lives and build strong communities. The Wyman Institute for Teen Development puts into practice the leading theories on effective youth development and leadership methods.

**WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Programs and Supporting Services (Continued)

Program services (Continued)

Experience Wyman

For more than 50 years, Wyman has hosted school camp programs in line with "Show-Me Standards," including outdoor adventure, science and environmental education and team-building activities. Wyman works with teachers and students from more than 30 area school districts that participate in programs lasting from one day to a full week. Wyman also has extensive experience hosting Retreats, Corporate Team Building, Organizational Development, meetings, family reunions, holiday parties, wedding receptions and youth group outings to meet groups' needs and expectations. Full day and overnight accommodations are available. Net revenue earned from this work supports Wyman's mission.

Supporting services

General and administrative

Includes those expenditures necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of Wyman's program strategy, secure proper administrative functioning of the Board, maintain competent legal services for the program administration of Wyman, and manage the financial and budgetary responsibilities of Wyman.

Fundraising/development

Provides the structure necessary to encourage and secure private financial support from individuals, organizations and corporations in the form of gifts, as well as fundraising events.

Credit Risk

Financial instruments that potentially subject Wyman to credit risk consist principally of investments and deposits in financial institutions exceeding federally insured limits. At various times during the years ended December 31, 2013 and 2012, Wyman's cash balances may have exceeded federally insured limits.

Cash and Cash Equivalents

All unrestricted highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

Investments and Assets Restricted for Permanent Investment

Investments are reported at fair value as described in Note 12 and are subject to the inherent risks of volatility in the market. Unrealized gains and losses are included as changes in net assets.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Organization emphasizes that fair value is a market-based measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Accounts Receivable and Unconditional Promises to Give

Unconditional promises to give consist of pledge donations from various corporations, foundations and individuals. Many of these donations have been restricted by time and use for facility needs. Unconditional promises to give are recognized as revenues in the period the promises are received. Accounts receivable and unconditional promises to give are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with customers and donors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year end will be immaterial. Accounts receivable and unconditional promises to give are recorded net of an allowance for doubtful accounts of \$45,445 and \$0 as of December 31, 2013 and 2012, respectively.

Inventories

Inventories consist of program curriculum and assessments and are valued at cost.

Property and Equipment

Facilities and equipment are carried at cost at the date of purchase or fair value at the date of gift, less accumulated depreciation calculated using the straight-line method over lives ranging from 3 to 50 years. Wyman capitalizes individual assets greater than \$1,500.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible Assets

Intangible assets are being amortized on a straight-line basis over 10 – 20 years. Such assets are periodically evaluated as to the recoverability of their carrying values.

Split Interest and Annuity Agreements

Wyman utilizes the actuarial method to record the asset and liability for its split interest and annuity agreements. Assets are recorded at fair value at date of receipt. Related assets and liabilities are recorded based on the present value of the agreement utilizing life expectancy tables as set forth in the Internal Revenue Code. On an annual basis, an adjustment is made to the asset and liability to record an actuarial gain or loss based on a re-computation of the donor's revised life expectancy. Upon termination of the agreement, the values are transferred to the appropriate net asset classification, in accordance with the wishes of the donor.

Long-Lived Assets

Wyman reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amounts of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Fair Value of Financial Instruments

The fair value of financial instruments classified as current assets or liabilities, including accounts receivable and accounts payable approximate carrying value, principally because of the short maturity of these items. The carrying amount of the line of credit and long-term debt approximate fair value since stated rates are similar to rates currently available to the Organization for debt with similar terms and remaining maturities.

Restricted and Unrestricted Support and Revenue

Wyman reports gifts of cash and other assets as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions. As permitted under ASC 958-205, *Not-for-Profit Presentation of Financial Statements*, Wyman has reported contributions that are temporarily restricted for purposes other than the capital campaign as unrestricted in the current year if Wyman met the donor restrictions in the same period as receipt of the contributions.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services, Facilities and Supplies

Certain professional services are donated to Wyman by various organizations and individuals. Since these donated services meet the criteria for recognition under ASC 958-605, *Accounting For Contributions Received and Contributions Made*, they are recorded at fair value at the date of donation. In addition, a substantial number of volunteers have donated a significant amount of their time to Wyman's programs. However, certain donated services have not been recorded because they do not meet the criteria for recognition under ASC 958-605.

Various supplies are donated to Wyman. These items are recorded as contributions at their respective estimated fair values at the date of the donation.

Total value of donated services and supplies recorded at fair value are \$109,826 and \$100,216 for the years ended December 31, 2013 and 2012, respectively.

Expense Allocation

Expenses are charged to programs and supporting activities by specific identification. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Wyman.

Advertising Costs

Advertising costs are expensed as incurred.

Income Taxes

Wyman constitutes a qualified, not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and is, therefore, exempt from federal income taxes.

Reclassifications

Certain amounts in the 2012 financial statements have been reclassified to be consistent with the presentation in the 2013 financial statements. These reclassifications did not affect the change in net assets, nor the ending net assets of the Organization.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 2 INVESTMENTS

Investments consist of the following at December 31, 2013 and 2012:

	2013		2012	
	Cost	Fair Value	Cost	Fair Value
Common and Preferred Stocks	\$ -	\$ -	\$ 1,175,408	\$ 1,498,172
Mutual Funds-Equity	3,247,757	3,364,120	649,789	783,140
Mutual Funds-Fixed Income	965,024	954,758	1,426,354	1,518,788
	<u>\$ 4,212,781</u>	4,318,878	<u>\$ 3,251,551</u>	3,800,100
Less: Assets Restricted for Permanent Investment		<u>1,956,754</u>		<u>3,368,886</u>
Amount Reported as Investments		<u>\$ 2,362,124</u>		<u>\$ 431,214</u>

Investments are carried at fair value in accordance with accounting principles generally accepted in the United States of America. For the years ended December 31, 2013 and 2012, unrealized loss of \$441,813 and unrealized gain of \$196,578, respectively, were recorded to adjust the investments to fair value. For the years ended December 31, 2013 and 2012, investment fees totaled \$13,829 and \$18,033, respectively, and are included in interest expense.

NOTE 3 UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are expected to be collected in the following periods at December 31, 2013 and 2012:

	2013	2012
Pledges Due in Less Than One Year	\$ 945,456	\$ 1,059,418
Pledges Due in 1-5 Years	200,000	12,500
Discount to Record Promises to Give at Present Value	<u>(15,368)</u>	<u>(652)</u>
	<u>184,632</u>	<u>11,848</u>
	<u>\$ 1,130,088</u>	<u>\$ 1,071,266</u>

A discount rate of 5.5% was used to record promises to give at the present value of the future cash flows at December 31, 2013 and 2012.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2013 and 2012:

	2013	2012
Land	\$ 2,977,579	\$ 2,977,579
Buildings and Improvements	4,742,981	4,734,081
Vehicles	139,538	122,888
Furniture and Equipment	819,892	720,239
Construction in Progress	-	34,880
	8,679,990	8,589,667
Less Accumulated Depreciation	3,171,984	2,937,029
	\$ 5,508,006	\$ 5,652,638

Depreciation expense charged against revenues amounted to \$234,955 and \$209,075 for the years ended December 31, 2013 and 2012, respectively.

NOTE 5 INTANGIBLE ASSETS

Detail of intangibles at December 31, 2013 is as follows:

Description	Gross Cost	Recorded Accumulated Amortization	Net Carrying Amount	Useful Life
Intangible Assets:				
TOP Curriculum	\$ 15,506	\$ (13,180)	\$ 2,326	10 Years
Patent	7,500	(2,750)	4,750	20 Years
Trademark	32,036	(7,798)	24,238	20 Years
Total Intangible Assets	\$ 55,042	\$ (23,728)	\$ 31,314	

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estimated amortization expense relating to intangibles calculated based on management's estimate would be approximately \$3,500 per year for years 2014 and 2015. For years 2016 and thereafter, amortization expense would be approximately \$2,000 per year.

Detail of intangibles at December 31, 2012 is as follows:

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

<u>Description</u>	<u>Gross Cost</u>	<u>Recorded Accumulated Amortization</u>	<u>Net Carrying Amount</u>	<u>Useful Life</u>
Intangible Assets:				
TOP Curriculum	\$ 15,506	\$ (11,630)	\$ 3,876	10 Years
Patent	7,500	(2,375)	5,125	20 Years
Trademark	<u>32,036</u>	<u>(6,196)</u>	<u>25,840</u>	20 Years
Total Intangible Assets	<u>\$ 55,042</u>	<u>\$ (20,201)</u>	<u>\$ 34,841</u>	

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 6 LINE OF CREDIT

During the year ended December 31, 2013, Wyman maintained a revolving line of credit with a bank with a maximum credit limit of \$750,000 that matured in November 2013. Wyman entered into a new revolving line of credit with a different bank and increased the maximum credit limited to \$1,000,000. The lines of credit had outstanding balances of \$551,324 and \$213,844 at December 31, 2013 and 2012, respectively. The interest rate of borrowings on the lines of credit is one month LIBOR plus 1.8% at December 31, 2013 and one month LIBOR plus 3.5% at December 31, 2012. The effective interest rate was 1.96% and 3.71% at December 31, 2013 and 2012, respectively. The line of credit is secured by the Organization's investments held at this bank and matures June 30, 2014.

NOTE 7 LONG-TERM DEBT

Long-term debt consists of the following at December 31, 2013 and 2012:

	2013	2012
Note payable to a financing company, secured by a deed of trust on land and buildings, payable in monthly installments of \$9,794 including principal and interest at 5.875% with a balloon payment due March 1, 2026	\$ 989,210	\$ 1,046,778
Note payable to a financing company, secured by a deed of trust on land and buildings, payable in monthly installments of \$11,909 including principal and interest at 2.89%, with a balloon payment due September 1, 2022	<u>949,512</u>	<u>1,043,536</u>
	<u>1,938,722</u>	<u>2,090,314</u>
Less Current Maturities	<u>157,820</u>	<u>151,691</u>
	<u><u>\$ 1,780,902</u></u>	<u><u>\$ 1,938,623</u></u>

The scheduled maturities on long-term debt as of December 31, 2013 are as follows:

2014	\$ 157,820
2015	164,338
2016	171,162
2017	178,307
2018	185,791
Thereafter	<u>1,081,304</u>
	<u><u>\$ 1,938,722</u></u>

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 8 SPLIT-INTEREST AGREEMENTS

During 2001, Wyman was named as the party of a charitable gift annuity. Under the annuity agreement, Wyman pays the donor quarterly installments totaling \$3,950. The present value of future payments are determined by the terms of the annuity agreement and present value factors provided by the Internal Revenue Service. At December 31, 2013 and 2012, the liability under the trust amounted to \$81,839 and \$86,273, respectively.

Wyman is also a beneficiary of a charitable remainder trust. Upon the death of the last surviving annuitant of the trust, Wyman will receive 100% of the remaining trust balance. At December 31, 2013 and 2012, this promise to give was valued at \$128,923 and \$116,172, respectively.

NOTE 9 NET ASSETS

Temporarily restricted net assets are available for the following purposes at December 31, 2013 and 2012:

	2013	2012
Program Activities	\$ 1,449,585	\$ 903,587
General Capital Improvements	22,671	60,247
Aquatics	3,789	2,395
Outdoor Education	2,486	1,093
College Scholarships	151,453	56,052
Restricted for Use in Future Operations	705,807	704,295
	\$ 2,335,791	\$ 1,727,669

Permanently restricted net assets consist of the following at December 31, 2013 and 2012:

	2013	2012
Program Scholarships	\$ 1,155,108	\$ 2,655,108
College Scholarships	591,256	490,637
Capital Improvements	31,000	31,000
General Use	4,465	4,465
Aquatics	8,100	8,100
Outdoor Education	8,093	8,093
Multiple Purpose	287,655	287,655
	\$ 2,085,677	\$ 3,485,058

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 9 NET ASSETS (CONTINUED)

Unrestricted net assets consist of the following at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Board Designated Endowment for Program Scholarships	\$ 1,519,589	\$ 19,589
Undesignated	<u>3,554,868</u>	<u>3,824,593</u>
	<u>\$ 5,074,457</u>	<u>\$ 3,844,182</u>

Net assets were released from donor-imposed restrictions as follows for the years ended December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Temporarily Restricted:		
Program Services	\$ 597,562	\$ 305,558
General Capital Improvements	13,825	192,266
Campaign	<u>21,000</u>	<u>250,000</u>
	<u>\$ 632,387</u>	<u>\$ 747,824</u>

NOTE 10 DEFERRED COMPENSATION PLANS

Wyman has a defined contribution deferred compensation plan under Section 457(b) of the Internal Revenue Code for certain key members of management with ten or more years of service. Eligible employees may contribute a percentage of their salaries up to the extent permitted by law. The plan provides that Wyman will make a non-elective contribution to the plan based on the employee's years of service. The associated expense for the years ended December 31, 2013 and 2012 amounted to \$45,563 and \$38,750, respectively.

Wyman has a tax-deferred annuity plan under Section 401(k) of the Internal Revenue Code which allows eligible employees to make tax-deferred contributions. Eligible employees may contribute a percentage of their salaries up to the extent permitted by law. The plan provides that Wyman will contribute 3% of the employee's annual salary to the plan. The plan also provides for employer matching contributions to a maximum of 3% of employee compensation. For years ended December 31, 2013 and 2012, Wyman's expense for the plan was \$86,209 and \$87,594, respectively.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 11 LEASE COMMITMENTS

Operating Leases

Wyman leases office space with a one year term and certain office equipment under various operating lease agreements with three year terms. Rent expense amounted to \$9,609 and \$6,451 for the years ended December 31, 2013 and 2012, respectively.

At December 31, 2013 minimum annual rental commitments for office equipment are as follows:

2014	\$	6,741
2015		5,380
2016		2,319
2017		<u>1,168</u>
	\$	<u><u>15,608</u></u>

Capital Leases

The Organization had a non-cancelable capital lease obligation which was obtained to finance the purchase of voice and data equipment totaling \$72,544 at December 31, 2013 and 2012. The accumulated amortization on this equipment at December 31, 2013 and 2012 was \$50,820 and \$43,001, respectively. Amortization expense is included in depreciation expense. The final lease payment was made in May 2012 and no future lease payments remain. Interest expense relating to these leases amounted to \$0 and \$195 for the years ended December 31, 2013 and 2012, respectively.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 12 FAIR VALUE MEASUREMENT

The Organization adopted ASC 820-10, *Fair Value Measurement*, related to fair value reporting of financial assets and financial liabilities for the years ended December 31, 2013 and 2012.

The fair values of significant financial assets and liabilities that are measured on a recurring basis at December 31, 2013 and 2012 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2013				
Investments:				
Mutual Funds - Equity	\$ 3,364,120	\$ 3,364,120	\$ -	\$ -
Mutual Funds - Fixed Income	954,758	954,758	-	-
Beneficial Interest in Charitable Remainder Trust	128,923	-	-	128,923
Liability Under Trust Agreement	<u>(81,839)</u>	<u>-</u>	<u>-</u>	<u>(81,839)</u>
Total	<u>\$ 4,365,962</u>	<u>\$ 4,318,878</u>	<u>\$ -</u>	<u>\$ 47,084</u>
December 31, 2012				
Investments:				
Common and Preferred Stock	\$ 1,498,172	\$ 1,498,172	\$ -	\$ -
Mutual Funds - Equity	783,140	783,140	-	-
Mutual Funds - Fixed Income	1,518,788	1,518,788	-	-
Beneficial Interest in Charitable Remainder Trust	116,172	-	-	116,172
Liability Under Trust Agreement	<u>(86,273)</u>	<u>-</u>	<u>-</u>	<u>(86,273)</u>
Total	<u>\$ 3,829,999</u>	<u>\$ 3,800,100</u>	<u>\$ -</u>	<u>\$ 29,899</u>

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and financial liabilities valued using Level 2 inputs are based on inputs other than quoted prices (interest rates) that are observable for the financial asset or liability.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 12 FAIR VALUE MEASUREMENT (CONTINUED)

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 financial asset and liability for the years ended December 31, 2013 and 2012:

	Beneficial Interest in Charitable Remainder Trust	Liability Under Trust Agreement
	<u>Trust</u>	<u>Agreement</u>
December 31, 2011	\$ 109,362	\$ (90,635)
Change in Fair Value Appreciation (Depreciation)	6,810	-
Change in Actuarial Value of Trust Agreement	-	4,362
December 31, 2012	<u>116,172</u>	<u>(86,273)</u>
Change in Fair Value Appreciation (Depreciation)	12,751	-
Change in Actuarial Value of Trust Agreement	-	4,434
December 31, 2013	<u><u>\$ 128,923</u></u>	<u><u>\$ (81,839)</u></u>

NOTE 13 ENDOWMENT NET ASSETS

The endowment consists of individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The endowment includes donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments.

Interpretation of Relevant Law

In August 2009, the State of Missouri enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Wyman's Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Wyman classifies permanently restricted net assets as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 13 ENDOWMENT NET ASSETS (CONTINUED)

Interpretation of Relevant Law (Continued)

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

Return Objectives and Risk Parameters

Wyman has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results, over time, to out-perform a weighted, blended market index based on the target allocations established for the portfolio after adjusting for an estimated rate of inflation and net of investment management and custody fees while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the endowment relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The endowment targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The endowment has a policy of appropriating for distribution each year no more than 5 percent of the endowment trust based on a 12 quarter trailing average. In establishing this policy, the endowment considered the long-term expected return on its endowment. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Through December 31, 2013, the Board of Directors may authorize distribution of accumulated, undistributed interest appreciation and capital gains, if needed to maintain the enrollment level of endowed programs, through and up to that time.

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 13 ENDOWMENT NET ASSETS (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy
(Continued)

Endowment net asset composition by type of net asset as of December 31, 2013:

	<u>Unrestricted</u>	<u>Temporary</u>	<u>Permanent</u>	<u>Total</u>
Donor-Restricted Endowment Funds	\$ -	\$ 924,645	\$ 2,085,677	\$ 3,010,322
Board Designated Endowment Funds	1,519,589	-	-	1,519,589
	<u>\$ 1,519,589</u>	<u>\$ 924,645</u>	<u>\$ 2,085,677</u>	<u>\$ 4,529,911</u>

Changes in the endowment net assets for the year ended December 31, 2013:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanent Donor- Restricted</u>	<u>Total</u>
Endowment Net Assets, Beginning of Year	\$ 19,589	\$ 478,474	\$ 3,485,058	\$ 3,983,121
Investment Return:				
Investment Income	-	102,668	-	102,668
Net Depreciation (Realized and Unrealized)	-	506,003	-	506,003
Total Investment Return	-	608,671	-	608,671
Contributions	-	-	100,619	100,619
Transfer of Donor Released Permanent Net Assets to Board Designated-Endowment Funds	1,500,000	-	-	1,500,000
Donor Release of Permanent Restriction	-	-	(1,500,000)	(1,500,000)
Appropriated for:				
Operations	-	(162,500)	-	(162,500)
Endowment Net Assets, End of Year	<u>\$ 1,519,589</u>	<u>\$ 924,645</u>	<u>\$ 2,085,677</u>	<u>\$ 4,529,911</u>

Endowment net asset composition by type of net asset as of December 31, 2012:

	<u>Unrestricted</u>	<u>Temporary</u>	<u>Permanent</u>	<u>Total</u>
Donor-Restricted Endowment Funds	\$ -	\$ 478,474	\$ 3,485,058	\$ 3,963,532
Board Designated Endowment Funds	19,589	-	-	19,589
	<u>\$ 19,589</u>	<u>\$ 478,474</u>	<u>\$ 3,485,058</u>	<u>\$ 3,983,121</u>

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 13 ENDOWMENT NET ASSETS (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy
(Continued)

Changes in the endowment net assets for the year ended December 31, 2012:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanent Donor- Restricted</u>	<u>Total</u>
Endowment Net Assets, Beginning of Year	\$ -	\$ 93,210	\$ 3,504,647	\$ 3,597,857
Investment Return:				
Investment Income	-	118,396	-	118,396
Net Depreciation (Realized and Unrealized)	-	279,368	-	279,368
Total Investment Return	-	397,764	-	397,764
Board Designated Transfer of Unrestricted Donation to Endowment Funds	19,589	-	-	19,589
Appropriated for:				
Operations	-	(12,500)	(19,589)	(32,089)
Endowment Net Assets, End of Year	<u>\$ 19,589</u>	<u>\$ 478,474</u>	<u>\$ 3,485,058</u>	<u>\$ 3,983,121</u>

Description of endowment amounts classified as permanently, temporarily and unrestricted net assets as of December 31, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Permanently Restricted Net Assets		
(1) The portion of perpetual endowment funds that is required to be retained permanently by explicit donor stipulation	<u>\$ 2,085,677</u>	<u>\$ 3,485,058</u>
Temporarily Restricted Net Assets		
(1) The portion of perpetual endowment funds that is subject to a purpose restriction	<u>\$ 924,645</u>	<u>\$ 478,474</u>
Unrestricted Net Assets Board Designated		
(1) The portion of perpetual endowment funds that is required by Board designation to be retained permanently for college scholarships	<u>\$ 1,519,589</u>	<u>\$ 19,589</u>

WYMAN CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 14 INCOME TAX

Wyman has adopted ASC 740-10, *Income Taxes*, as it relates to uncertain tax positions and has evaluated its tax positions taken for all open tax years. Currently, the 2010 and subsequent tax years are open and subject to examination by the Internal Revenue Service. However, Wyman is not currently under audit nor has the Organization been contacted by the Internal Revenue Service.

Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded as of December 31, 2013 and 2012.

NOTE 15 CONTINGENCIES

Wyman, from time to time, is involved in various legal proceedings and claims in the ordinary course of its business. In the opinion of Wyman's management, the probable resolution of such contingencies will not have a material adverse effect on the financial position or results of operations of Wyman.

NOTE 16 SUBSEQUENT EVENTS

Wyman has evaluated subsequent events through June 9, 2014, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

WYMAN CENTER, INC.
SCHEDULES OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013			Total
	Program Services	General and Administrative	Fundraising	
Salaries and Wages	\$ 1,998,500	\$ 71,906	\$ 194,337	\$ 2,264,743
Retirement Plan Contributions	116,280	4,184	11,307	131,771
Other Employee Benefits	193,540	6,964	18,820	219,324
Payroll Taxes	136,986	4,929	13,321	155,236
Legal, Accounting and Investment Fees	60,975	2,194	5,929	69,098
Advertising and Promotion	66,091	2,378	6,427	74,896
Office Expenses	71,558	2,575	6,958	81,091
Information Technology	80,622	2,901	7,840	91,363
Occupancy	187,093	6,732	18,193	212,018
Travel	133,149	4,791	12,948	150,888
Conferences, Conventions and Meetings	19,360	697	1,883	21,940
Interest	92,779	3,338	9,022	105,139
Depreciation and Amortization	210,447	7,572	20,464	238,483
Insurance	88,736	3,193	8,629	100,558
Food Services	98,515	3,545	9,580	111,640
Professional and Consulting Fees	187,950	6,762	18,277	212,989
Independent Contractors	202,186	7,275	19,661	229,122
Supplies	44,281	1,593	4,306	50,180
Other Expenses	85,316	3,070	8,297	96,683
TOTAL FUNCTIONAL EXPENSES	\$ 4,074,364	\$146,599	\$ 396,199	\$ 4,617,162

2012

<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
\$ 2,118,390	\$ 80,975	\$ 235,484	\$ 2,434,849
109,922	4,202	12,219	126,343
157,231	6,010	17,478	180,719
149,982	5,733	16,672	172,387
38,017	1,454	4,226	43,697
60,430	2,310	6,718	69,458
94,880	3,627	10,547	109,054
19,783	756	2,199	22,738
211,367	8,080	23,496	242,943
132,796	5,076	14,762	152,634
26,851	1,026	2,985	30,862
148,387	5,672	16,495	170,554
184,971	7,071	20,562	212,604
80,332	3,071	8,930	92,333
128,026	4,894	14,232	147,152
278,897	10,661	31,003	320,561
149,836	5,728	16,656	172,220
71,634	2,738	7,963	82,335
90,731	3,468	10,086	104,285
<u>\$ 4,252,463</u>	<u>\$ 162,552</u>	<u>\$ 472,713</u>	<u>\$ 4,887,728</u>