

FUTURE LEADERSHIP FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2015



2005 West Broadway, Suite 100, Columbia, MO 65203
OFFICE (573) 442-6171 FAX (573) 777-7800

3220 West Edgewood, Suite E, Jefferson City, MO 65109
OFFICE (573) 635-6196 FAX (573) 644-7240

www.williamskeepers.com

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Future Leadership Foundation
Jefferson City, Missouri

Management is responsible for the accompanying financial statements of Future Leadership Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Williams-Keepers LLC
Jefferson City, Missouri

Williams - Keepers LLC
August 8, 2016

FUTURE LEADERSHIP FOUNDATION
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 46,371	\$ 59,400
Investments	1,754	1,717
Accounts Receivable	1,891	811
Prepaid Expenses	-	47
	\$ 50,016	\$ 61,975
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 561	\$ 7,181
Funds Held for Others	3,750	-
	4,311	7,181
Net Assets		
Unrestricted: Undesignated	18,497	14,862
Unrestricted: Board Designated for Executive Leadership	8,704	5,941
	27,201	20,803
Temporarily Restricted	11,750	27,174
Permanently Restricted	6,754	6,817
	45,705	54,794
Total net assets	45,705	54,794
Total liabilities and net assets	\$ 50,016	\$ 61,975

See accompanying notes and accountants' compilation report.

FUTURE LEADERSHIP FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015
(with summarized totals for the year ended December 31, 2014)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total	2014 Total
Revenues					
Contributions Income					
General Contributions	\$ 27,633	\$ -	\$ -	\$ 27,633	\$ 34,631
Trip Participant	-	10,958	-	10,958	18,735
Ukraine	-	36,158	-	36,158	41,448
Lithuania	-	-	-	-	1,140
Guatemala	-	5,000	-	5,000	870
Pakistan	-	620	-	620	-
Belarus	-	750	-	750	3,375
Distance Learning	-	800	-	800	9,500
Grant Acquisition	-	-	-	-	150
Hatfield Endowment	-	-	-	-	5,083
Administrative Fees	2,950	-	-	2,950	-
Product Sales	535	-	-	535	90
Events and Meetings	420	-	-	420	-
Investment Return	-	-	(63)	(63)	44
Net Assets Released from Restrictions	69,710	(69,710)	-	-	-
Total Revenues	101,248	(15,424)	(63)	85,761	115,066
Expenses					
Program Expenses					
Participant Trip Cost	10,989	-	-	10,989	18,440
Ukraine	45,256	-	-	45,256	37,474
Lithuania	-	-	-	-	1,120
Guatemala	3,615	-	-	3,615	6,000
Moldova	-	-	-	-	233
Pakistan	350	-	-	350	-
Belarus	800	-	-	800	4,923
Distance Learning	8,700	-	-	8,700	1,500
Program Development	2,053	-	-	2,053	2
Total Program Expenses	71,763	-	-	71,763	69,692
Fundraising Expenses					
Advertising	845	-	-	845	866
Constituent Communication	2,805	-	-	2,805	3,205
Total Fundraising Expenses	3,650	-	-	3,650	4,071
Administrative Expenses					
Accounting	1,500	-	-	1,500	1,650
Technology Support and Software	4,974	-	-	4,974	4,701
Business Fees and Permits	769	-	-	769	610
Contract Services	3,522	-	-	3,522	1,894
Board Expenses	3,184	-	-	3,184	2,397
Insurance	452	-	-	452	431
Staff Expenses	2,488	-	-	2,488	1,176
Postage	295	-	-	295	174
Other Expenses	1,200	-	-	1,200	1,645
Office Expenses	744	-	-	744	312
Telephone Services	309	-	-	309	227
Total Administrative Expenses	19,437	-	-	19,437	15,217
Total Expenses	94,850	-	-	94,850	88,980
Change in Net Assets	6,398	(15,424)	(63)	(9,089)	26,086
Net Assets, Beginning of Year	20,803	27,174	6,817	54,794	28,708
Net Assets, End of Year	\$ 27,201	\$ 11,750	\$ 6,754	\$ 45,705	\$ 54,794

See accompanying notes and accountants' compilation report.

FUTURE LEADERSHIP FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
Contributions Income				
General Contributions	\$ 34,631	\$ -	\$ -	\$ 34,631
Trip Participant	-	18,735	-	18,735
Ukraine	-	41,448	-	41,448
Lithuania	-	1,140	-	1,140
Guatemala	-	870	-	870
Belarus	-	3,375	-	3,375
Distance Learning	-	9,500	-	9,500
Grant Acquisition	-	150	-	150
Hatfield Endowment	-	-	5,083	5,083
Product Sales	90	-	-	90
Investment Return	44	-	-	44
Net Assets Released from Restrictions	66,230	(66,230)	-	-
Total Revenues	<u>100,995</u>	<u>8,988</u>	<u>5,083</u>	<u>115,066</u>
Expenses				
Program Expenses				
Participant Trip Cost	18,440	-	-	18,440
Ukraine	37,474	-	-	37,474
Lithuania	1,120	-	-	1,120
Guatemala	6,000	-	-	6,000
Moldova	233	-	-	233
Belarus	4,923	-	-	4,923
Distance Learning	1,500	-	-	1,500
Grant Acquisition	2	-	-	2
Total Program Expenses	<u>69,692</u>	<u>-</u>	<u>-</u>	<u>69,692</u>
Fundraising Expenses				
Advertising	866	-	-	866
Constituent Communication	3,205	-	-	3,205
Total Fundraising Expenses	<u>4,071</u>	<u>-</u>	<u>-</u>	<u>4,071</u>
Administrative Expenses				
Accounting	1,650	-	-	1,650
Technology Support and Software	4,701	-	-	4,701
Business Fees and Permits	610	-	-	610
Contract Services	1,894	-	-	1,894
Board Expenses	2,397	-	-	2,397
Insurance	431	-	-	431
Staff Expenses	1,176	-	-	1,176
Postage	174	-	-	174
Other Expenses	1,645	-	-	1,645
Office Expenses	312	-	-	312
Telephone Services	227	-	-	227
Total Administrative Expenses	<u>15,217</u>	<u>-</u>	<u>-</u>	<u>15,217</u>
Total Expenses	<u>88,980</u>	<u>-</u>	<u>-</u>	<u>88,980</u>
Change in Net Assets	12,015	8,988	5,083	26,086
Net Assets, Beginning of Year	<u>8,788</u>	<u>18,186</u>	<u>1,734</u>	<u>28,708</u>
Net Assets, End of Year	<u>\$ 20,803</u>	<u>\$ 27,174</u>	<u>\$ 6,817</u>	<u>\$ 54,794</u>

See accompanying notes and accountants' compilation report.

FUTURE LEADERSHIP FOUNDATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES		
Change in net assets	\$ (9,089)	\$ 26,086
Adjustments to reconcile change in net assets to net cash flows provided by operating activities:		
Investment (gains) losses	63	(44)
Adjustments for changes in operating assets and liabilities:		
Accounts Receivable	(1,080)	(811)
Prepaid Expenses	47	(47)
Accounts Payable	(6,620)	4,418
Funds Held for Others	3,750	-
Net cash provided by operating activities	(12,929)	29,602
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(100)	(50)
Net cash (used) by investing activities	(100)	(50)
Net change in cash and cash equivalents	(13,029)	29,552
Cash and cash equivalents, beginning of period	59,400	29,848
Cash and cash equivalents, end of period	\$ 46,371	\$ 59,400

See accompanying notes and accountants' compilation report.

FUTURE LEADERSHIP FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of activities: The Future Leadership Foundation (the Foundation) is a mission-based, nonprofit organization that facilitates the development of Christian leaders around the world. The Foundation uses short-term volunteers to meet the expressed needs of Christian ministries, such as churches, seminaries, and national leadership councils. The donated time from such volunteers does not meet the criteria for financial statement recognition.

Basis of Accounting: The financial statements of the Foundation have been prepared on the accrual basis of accounting; therefore, revenues are recognized when earned and expenses are recognized when incurred.

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

Financial statement presentation: The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted, based upon the existence or absence of donor stipulations on contributions received. All contributions received, unless restricted by the donor, are considered to be unrestricted, including contributions stipulated for use consistent with the basic purpose of the Foundation. Contributions with more specific donor stipulations are reported as restricted. When a 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 revenues and expenses as net assets released from restrictions. Contributions with permanent donor restrictions typically require that the corpus of the contribution be invested with earnings either unrestricted or temporarily restricted.

Cash and Cash Equivalents: The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk: Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash. The Foundation places its cash with credit worthy high-quality financial institutions. At December 31, 2015 and 2014, the Foundation had no balances in excess of FDIC Insurance. The Foundation has not sustained any losses due to exposure noted above.

Program and Supporting Services: The following program and supporting services are included in the accompanying statement of activities:

Program Services: Includes direct expenses to achieve Foundation and program goals.

Fundraising: Includes expenses generated from events to raise income for the Foundation.

Administrative: Includes direct expenses necessary to coordinate and administer program services and to manage the financial responsibilities of the Foundation.

See accountants' compilation report.

Tax Status: The Foundation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and similar provisions of the State Code. The Form 990 and taxable status of the Foundation are subject to examination by the Internal Revenue Service for open tax years, which as of the date of this report are the years 2012 through 2015. Interest and penalties incurred, if any, related to annual Form 990 filings are reported as other administrative expenses in the accompanying statement of activities.

Subsequent events: Events that have occurred subsequent to December 31, 2015 have been evaluated through August 8, 2016, which represents the date the Foundation's financial statements were available to be issued.

2. RESTRICTIONS ON NET ASSETS

The nature of donor stipulations on temporarily restricted and permanently restricted net assets as of December 31 was as follows:

	<u>2015</u>	<u>2014</u>
Temporarily Restricted Net Assets:		
Belarus Church Partnership	\$ 42	\$ 92
Ukraine Leadership Training	118	8
Ukraine Capital Needs	-	2,818
Ukraine Macedonia Project	4,167	10,556
Moldova	367	367
Pakistan	270	-
Guatemala	1,180	870
El Salvador	1,075	-
Lithuania	20	20
Distance Learning	100	8,000
Grant Acquisition	148	148
Trip Participant	4,263	4,295
Total	<u>\$ 11,750</u>	<u>\$ 27,174</u>
Permanently Restricted Net Assets:		
Hatfield Endowment Fund	<u>\$ 6,754</u>	<u>\$ 6,817</u>

3. FUNCTIONAL ALLOCATION OF EXPENSES

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

4. INVESTMENTS

Investments are carried at fair value and are summarized below at December 31:

	2015		
	Cost	Gross Unrealized Gains (Losses)	Fair Value
Mutual Funds	<u>\$ 1,600</u>	<u>\$ 154</u>	<u>\$ 1,754</u>
	2014		
	Cost	Gross Unrealized Gain (Losses)	Fair Value
Mutual Funds	<u>\$ 1,500</u>	<u>\$ 217</u>	<u>\$ 1,717</u>

See accountants' compilation report.