

More Than Me Foundation, Inc.

Financial Statements
and Independent Auditors' Report

December 31, 2012

More Than Me Foundation, Inc.

Financial Statements
December 31, 2012

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
More Than Me Foundation, Inc.

We have audited the accompanying financial statements of the More Than Me Foundation, Inc. ("the Foundation"), which comprise the statement of financial position as of December 31, 2012, the related statements of activities 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 an 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 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 the Foundation as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is written in a cursive, flowing style.

Vienna, Virginia
November 5, 2013

More Than Me Foundation, Inc.

Statement of Financial Position
December 31, 2012

Assets	
Cash	\$ 206,871
Accounts receivable	794
Leasehold improvements – in progress	<u>61,250</u>
Total assets	<u><u>\$ 268,915</u></u>
Liabilities and Net Assets	
Liabilities	
Accounts payable	<u>\$ 1,521</u>
Total liabilities	<u>1,521</u>
Net Assets	
Unrestricted	239,834
Temporarily restricted	<u>27,560</u>
Total net assets	<u>267,394</u>
Total liabilities and net assets	<u><u>\$ 268,915</u></u>

More Than Me Foundation, Inc.

Statement of Activities
For the Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Total
Revenue and Support			
Donations	\$ 227,462	\$ 27,560	\$ 255,022
Special events	48,976	-	48,976
Grants	26,000	-	26,000
Other income	10,968	-	10,968
	<hr/>	<hr/>	<hr/>
Total revenue and support	313,406	27,560	340,966
	<hr/>	<hr/>	<hr/>
Expenses			
Program services	41,494	-	41,494
Fundraising	77,248	-	77,248
General and administrative	37,218	-	37,218
	<hr/>	<hr/>	<hr/>
Total expenses	155,960	-	155,960
	<hr/>	<hr/>	<hr/>
Change in Net Assets	157,446	27,560	185,006
	<hr/>	<hr/>	<hr/>
Net Assets, beginning of year	82,388	-	82,388
	<hr/>	<hr/>	<hr/>
Net Assets, end of year	\$ 239,834	\$ 27,560	\$ 267,394
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

More Than Me Foundation, Inc.

Statement of Cash Flows
For the Year Ended December 31, 2012

Cash Flows from Operating Activities	
Change in net assets	\$ 185,006
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Contributed leasehold improvements	(61,250)
Change in operating assets and liabilities:	
Increase in accounts receivable	(794)
Increase in accounts payable	1,521
	<hr/>
Net cash provided by operating activities	124,483
	<hr/>
Net Increase in Cash	124,483
Cash, beginning of year	82,388
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Cash, end of year	<u><u>\$ 206,871</u></u>

More Than Me Foundation, Inc.

Notes to Financial Statements
December 31, 2012

1. Nature of Operations

The More Than Me Foundation, Inc. (“the Foundation”) was incorporated in 2009 as a not-for-profit 501(c)(3) organization under the laws of the state of New Jersey. The Foundation operates in Monrovia, Liberia to help at-risk girls to get off the street and into school. In 2012 the Foundation began renovating one of the government buildings and turned it into an academy to provide high quality education for girls. The academy will also provide vocational training, healthcare, psychological support and a safe place where the girls can stay in the evenings to reduce the risk of abuse.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Foundation’s financial statements are prepared on the accrual basis of accounting and are in accordance with generally accepted accounting principles for not-for-profit organizations. Net assets are reported based on the presence or absence of donor-imposed restrictions.

Classification of Net Assets

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization’s operations.
- *Temporarily restricted net assets* represent funds subject to donor-imposed restrictions that are met either by actions of the Organization or the passage of time. Temporarily restricted net assets totaled \$27,560 for the year ended December 31, 2012.

Accounts Receivable

The Foundation’s accounts receivable consist of employee receivables. Receivables are reported in the accompanying financial statements at their net realizable value. The Foundation periodically reviews an aging of its accounts receivable for collection purposes, and to evaluate the necessity for an allowance for doubtful accounts. As of December 31, 2012, no allowance for doubtful accounts is recorded as accounts receivable were deemed fully collectible by management.

More Than Me Foundation, Inc.

Notes to Financial Statements
December 31, 2012

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment with a cost in excess of \$5,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Repairs and maintenance costs are expensed as incurred.

Revenue Recognition

Grants, fundraising, and donations are recorded as revenue when received. The Foundation reports gifts of cash and other assets as temporarily restricted support if they are received or promised with donor stipulations that limit the use of the donated assets to a certain purpose or to a future year. When a donor restriction expires, that is, when a purpose restriction is accomplished or time restriction has elapsed, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted net assets are reported as unrestricted net assets if the restrictions are met in the period received.

Revenue from other sources is recognized as earned.

Contributed Services and Material

From time to time, the Foundation receives donated services and materials representing leasehold improvements that are recognized at fair value at the time of receipt. During the year ended December 31, 2012, the Organization received donated services and materials in the amount of \$61,250 related to leasehold improvements.

Functional Allocation of Expenses

The costs of the Foundation's activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs benefited. General and administrative funds include expenditures incurred to run core initiatives of the Foundation and are funded primarily through unrestricted contributions.

More Than Me Foundation, Inc.

Notes to Financial Statements
December 31, 2012

2. Summary of Significant Accounting Policies (continued)

Use of 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 the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist of cash. The Foundation maintains cash deposit and transaction accounts with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Depository Insurance Corporation (FDIC). The Foundation has not experienced any credit losses on its cash to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

4. Property and Equipment

The Foundation held the following property and equipment at December 31, 2012:

Leasehold improvements – in progress	<u>\$ 61,250</u>
Total leasehold improvements – in progress	<u><u>\$ 61,250</u></u>

In 2012, the Foundation was granted in perpetuity the use of a building owned by the Liberian government at no charge. The lease of the building by the Foundation is contingent upon continuous operation by the Foundation to educate Liberian children. The Foundation used funds contributed by donors to renovate the building; therefore, the cost of leasehold improvements is recorded as a leasehold asset in the accompanying statement of financial position. In the remote occurrence that the Foundation's operations cease, the government has the right to reclaim the property and any improvements made. The Foundation started using the building and depreciating leasehold improvements subsequent to year-end.

More Than Me Foundation, Inc.

Notes to Financial Statements
December 31, 2012

5. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at December 31, 2012:

Bombed out looted building into girls' academy	\$	17,412
Provide girls pre-teen and teen literature		3,261
Girls' academy		2,331
Computer classes for Cyrus and Macintosh		1,700
Provide role model speakers		913
Support another year in school for Abigail		490
A year in school for Theresa		425
Musu exploring the world of computers!		425
Computer classes for girls in Liberia		293
Support another year in school for Hawa		153
Five computers for computer training for girls		106
Support another year in school for Janet		21
Provide basic classroom materials for Liberian girls		21
Support another year in school for Winnie		9
		<hr/>
Total temporarily restricted net assets	\$	<u>27,560</u>

6. Income Taxes

The Foundation is recognized as a tax-exempt organization under Internal Revenue Code (IRC) Section 501(c)(3), and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements as there was no unrelated business income. Contributions to the Foundation are deductible as provided in IRC Section 170(b)(1)(A)(vi). Management has evaluated the Foundation's tax positions and concluded that the Foundation's financial statements do not include any uncertain tax positions.

7. Subsequent Events

Subsequent to year-end, a multi-year grant was awarded to the Foundation in the amount of \$1,000,000. Beginning in 2013, annual payments are scheduled to be made over the following three fiscal years. The grant represents a significant increase in revenue and is a key part of continuing operations.

More Than Me Foundation, Inc.

Notes to Financial Statements
December 31, 2012

7. Subsequent Events (continued)

The Foundation follows the guidance of FASB ASC 855, *Subsequent Events*, which establishes general standards of accounting for and disclosure of events that occur after the statement of financial position date but before the financial statements are issued. FASB ASC 855 also requires disclosure of the date through which an entity has evaluated subsequent events. Other than disclosed above, the Foundation did not have any subsequent events through November 5, 2013, the date the financial statements were available to be issued, based in the Foundation's facts and circumstances that required potential or disclosure in the financial statements for the year ended December 31, 2012.