

LEBANON AREA FOUNDATION
REVIEWED FINANCIAL STATEMENTS

JUNE 30, 2023

WALTERS, STAEDTLER & ALLEN, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Lebanon Area Foundation
Lebanon, Missouri

We have reviewed the accompanying financial statements of Lebanon Area Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statement of activities and change in fund balance and cash flow for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Account's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

October 3, 2023
Lebanon, Missouri

LEBANON AREA FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

| | Current Funds | | Endowment Funds | Totals (Memorandum Only) 2023 |
|----------------------|----------------|------------------|--------------------|-------------------------------------|
| | Unrestricted | Restricted | | |
| Current Assets: | | | | |
| Cash in Bank | \$ 400 | 939,077 | 82,763 | 1,022,240 |
| Investments | 207,545 | 65,505 | 4,293,514 | 4,566,564 |
| Notes Receivable | - | 52,542 | - | 52,542 |
| Total Current Assets | <u>207,945</u> | <u>1,057,124</u> | <u>4,376,277</u> | <u>5,641,346</u> |
| Total Assets | <u>207,945</u> | <u>1,057,124</u> | <u>4,376,277</u> | <u>5,641,346</u> |

LIABILITIES AND FUND BALANCES

| | | | | |
|-------------------------------------|-------------------|------------------|------------------|------------------|
| Current Liabilities: | | | | |
| Payroll Tax Payable | <u>1,105</u> | <u>-</u> | <u>-</u> | <u>1,105</u> |
| Total Current Liabilities | <u>1,105</u> | <u>-</u> | <u>-</u> | <u>1,105</u> |
| Total Liabilities | 1,105 | - | - | 1,105 |
| Fund Balances | <u>206,840</u> | <u>1,057,124</u> | <u>4,376,277</u> | <u>5,640,241</u> |
| Total Liabilities and Fund Balances | <u>\$ 207,945</u> | <u>1,057,124</u> | <u>4,376,277</u> | <u>5,641,346</u> |

LEBANON AREA FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGE IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

| | Current Funds | | Endowment | Totals |
|--|-------------------|------------------|------------------|---------------------------|
| | Unrestricted | Restricted | Funds | (Memorandum Only) 2023 |
| SUPPORT AND REVENUE: | | | | |
| Support | \$ 50,000 | \$ 633,432 | \$ - | 683,432 |
| Administrative Fees | 37,059 | - | - | 37,059 |
| Investment Income | - | 208 | 134,351 | 134,559 |
| Miscellaneous Income | 31 | - | - | 31 |
| Total Support and Revenue | <u>87,090</u> | <u>633,640</u> | <u>134,351</u> | <u>855,081</u> |
| EXPENSES: | | | | |
| PROGRAM SERVICES | | | | |
| Distributions and Grants | - | 484,569 | 95,858 | 580,427 |
| Total Program Services | <u>-</u> | <u>484,569</u> | <u>95,858</u> | <u>580,427</u> |
| SUPPORT SERVICES | | | | |
| Insurance | 4,164 | - | - | 4,164 |
| Accounting | 3,071 | - | - | 3,071 |
| Postage and Box Rent | 1,084 | - | - | 1,084 |
| Administrative Fee | - | - | 37,059 | 37,059 |
| Trust Company Fee | 1,233 | - | 12,885 | 14,118 |
| Occupancy | 1,474 | - | - | 1,474 |
| Other Supplies, Fees, Dues | 3,148 | - | - | 3,148 |
| Other Tax | - | - | 1,226 | 1,226 |
| Travel | 1,800 | - | - | 1,800 |
| Fundraising | 19,114 | - | - | 19,114 |
| Payroll and Payroll Tax | 69,374 | - | - | 69,374 |
| Total Support Services | <u>104,462</u> | <u>-</u> | <u>51,170</u> | <u>155,632</u> |
| Total Program and Support Service Expense | 104,462 | 484,569 | 147,028 | 736,059 |
| OTHER INCOME (EXPENSE) | | | | |
| INVESTMENT TRANSACTIONS | | | | |
| Gain (Loss) on Stock Transactions | 61,409 | - | 121,018 | 182,427 |
| Total Investment Transactions | <u>61,409</u> | <u>-</u> | <u>121,018</u> | <u>182,427</u> |
| Excess Support and Revenue over Expenses and Other Income (Expense) | 44,037 | 149,071 | 108,341 | 301,449 |
| FUND BALANCES: | | | | |
| July 1, 2022 | 162,803 | 908,053 | 4,267,936 | 5,338,792 |
| June 30, 2022 | <u>\$ 206,840</u> | <u>1,057,124</u> | <u>4,376,277</u> | <u>5,640,241</u> |

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT

LEBANON AREA FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

| | Current Funds | | Endowment | Totals |
|---|-------------------|------------------|------------------|-------------------|
| | Unrestricted | Restricted | Funds | (Memorandum Only) |
| | | | | 2023 |
| Cash flows from operations: | | | | |
| Expenses Paid | \$ (104,462) | (484,569) | (147,028) | (736,059) |
| Support Received | 87,090 | 633,432 | - | 720,522 |
| (Increase)Decrease Notes Receivable | - | 1,832 | - | 1,832 |
| Increase(Decrease) Liabilities | (258) | - | - | (258) |
| Cash Provided (Used) by Operating Activities | <u>(17,630)</u> | <u>150,695</u> | <u>(147,028)</u> | <u>(13,963)</u> |
| Cash Flow From Investing: | | | | |
| Investment Income | - | 208 | 134,351 | 134,559 |
| Long-Term Capital Gain (Loss) | 61,409 | - | 121,018 | 182,427 |
| Cash Provided (Used) by Investing Activities | <u>61,409</u> | <u>208</u> | <u>255,369</u> | <u>316,986</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 43,779 | 150,903 | 108,341 | 303,023 |
| Cash and Cash Equivalents: | | | | |
| July 1, 2022 | 164,166 | 853,679 | 4,267,936 | 5,285,781 |
| June 30, 2023 | <u>\$ 207,945</u> | <u>1,004,582</u> | <u>4,376,277</u> | <u>5,588,804</u> |

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT

LEBANON AREA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Lebanon Area Foundation is presented to assist in understanding the organization's financial statements. The financial statements and notes are the representation of the management of the organization. Their accounting policies conform to generally accepted accounting principles except as noted under Doner Services below.

History and Purpose

The Lebanon Area Foundation was organized July 6, 1984, by a group of Laclede County, Missouri citizens and the Lebanon Rotary Club. These citizens were interested in providing a means for the charitable desires of people to be given a permanent, useful expression in furthering the welfare of the community. The organization receives, distributes and administers funds for charitable and public purposes in the Laclede County Area.

Total Columns

The "Totals (Memorandum Only)" columns are presented only to facilitate financial analysis and do not present financial position or results of operations in conformity with generally accepted accounting principles.

Fund Accounting

To insure observance of limitations and restrictions placed upon the use of resources available to the organization, the accounts of the organization are maintained in accordance with fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes.

The assets, liabilities and fund balances of the organization are reported under the following fund groups:

Current Funds - which include unrestricted and restricted resources, represents the portion of expendable funds available

Endowment Funds - represents funds that are subject to restrictions of gift instruments requiring in perpetuity that the principal be invested and that only income be used.

Annuity Funds - represent trusts for which the organization would be responsible for investing and paying an annuity to the individual donor. The organization would be the beneficiary of the trusts upon the death of the donor. As of June 30, 2023, the organization had no annuity fund resources to administer.

Donated Services

Generally accepted accounting principles require that donated services be included as contributions received, but significant time spent by the Board of Directors has not been recorded.

Income Taxes

The Lebanon Area Foundation is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code.

NOTE B - INVESTMENTS AND GAIN/LOSS ON SALE OF STOCK

Investments are carried at FMV and as of June 30, 2023 consisted of the following:

| DESCRIPTION | |
|--|---------------------|
| Commerce Bank Money Market Account | \$ 65,505 |
| Central Trust Company Endowed Funds | 2,347,431 |
| Edward Jones Endowed Scholarship Funds | 2,153,628 |
| Total | <u>\$ 4,566,564</u> |

Withdrawals are made from the accounts to pay program and support service expenses. The original cost per share has been used to compute gain or loss on withdrawals made for the year ended June 30, 2023.

For purposes of the statement of cash flows, these investments are considered to be cash equivalents.

NOTE C - NOTES RECEIVABLE

As part of a donation received through Habitat for Humanity the organization received Notes Receivable. Monthly payments are recorded against the balance due. The entire Notes Receivable was recorded as a donation at time of receipt. The balance at June 30, 2023 was \$52,542