

MISSION CONNEXION
FINANCIAL STATEMENTS
Year Ended March 31, 2018

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Board of Directors
MISSION CONNEXION
PORTLAND, OREGON

Management is responsible for the accompanying financial statements of Mission ConneXion (a nonprofit organization), which comprise the statement of financial position as of March 31, 2018, and the related statements of activities and cash flows for the year 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 Standard 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.

HANSON VAUGHAN, LLC

Certified Public Accountants

June 30, 2018
Molalla, Oregon

MISSION CONNEXION
STATEMENT OF FINANCIAL POSITION
March 31, 2018

See Accompanying Notes and Independent Accountants' Compilation Report

ASSETS

Cash	\$ 189,822
Prepaid expenses	1,512
Pledge receivable	<u>8,500</u>
Total Assets	<u>\$ 199,834</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 4,456
Credit card payable	3,560
Payroll taxes payable	<u>1,600</u>
Total Liabilities	<u>9,616</u>

NET ASSETS

Unrestricted assets	<u>190,218</u>
Total Net Assets	<u>190,218</u>
Total Liabilities and Net Assets	<u>\$ 199,834</u>

MISSION CONNEXION
STATEMENT OF ACTIVITIES
Year Ended March 31, 2018

See Accompanying Notes and Independent Accountants' Compilation Report

SUPPORT AND REVENUE

Event fees	\$ 132,923
Donations	137,502
Other income	<u>117</u>
Total Support and Revenue	<u>270,542</u>

EXPENSES

Program Services:	
Speaker expenses	21,390
Venue expenses	32,582
Direct food costs	13,403
Direct supplies	23,707
Allocated payroll and related costs	58,600
Advertising and promotion	<u>8,926</u>
Total Program Service Expenses	<u>158,608</u>
Support Services:	
Management and general	52,877
Fundraising	<u>13,500</u>
Total Support Service Expenses	<u>66,377</u>
Total Expenses	<u>224,985</u>
Change in net assets	45,557
Unrestricted net assets, beginning of year	<u>144,661</u>
Unrestricted net assets, end of year	<u><u>\$ 190,218</u></u>

MISSION CONNEXION
STATEMENT OF CASH FLOWS
Year Ended March 31, 2018

See Accompanying Notes and Independent Accountants' Compilation Report

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 45,557
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Decrease in prepaid expenses	4,565
Decrease in pledge receivable	23,000
Increase in accounts payable	3,984
Decrease in credit card payable	(3,059)
Decrease in payroll taxes payable	(24)
Decrease in retirement payable	(150)
	<hr/>
Net Cash Used by Operating Activities	73,873

CASH FLOWS FROM INVESTING ACTIVITIES

Net Cash Used by Investing Activities -

CASH FLOWS FROM FINANCING ACTIVITIES

Net Cash Used by Financing Activities -

Net decrease in cash	73,873
Cash, beginning of year	<hr/> 115,949
Cash, end of year	<hr/> <u>\$ 189,822</u>

MISSION CONNEXION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2018

See Independent Accountants' Compilation Report

NOTE 1 – Description of Activities and Summary of Significant Accounting Policies

This description of activities and summary of significant accounting policies of Mission ConneXion, a non-profit organization, is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Board of Directors which is responsible for their integrity and objectivity.

Description of Activities: The Organization exists to connect local churches and individuals to missions, so that increasing numbers of believers are actively serving in areas of the world's greatest need and opportunity. Since 2001, Mission ConneXion has become one of the most significant church-sponsored, missions-mobilizing, annual events in the US Pacific Northwest, bringing together over 125 workshop sessions, four general sessions, and over 70 mission agency exhibits in January. Additional ConneXion training events take place throughout the year designed to strengthen and equip the local church for more strategic mission advance.

Basis of Accounting: These financial statements are prepared on the accrual basis of accounting. Under the accrual method, revenues are recorded as they are earned and expenses are recorded as they are incurred, regardless of the time of receipt or payment.

Contributions: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence of any donor restrictions.

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 unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

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 and Cash Equivalents: The Organization considers all unrestricted and temporarily restricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

MISSION CONNEXION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2018

See Independent Accountants' Compilation Report

Income Taxes: The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not required to file Form 990 with the Internal Revenue Service. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organization is also exempt from State income taxes.

NOTE 2 – Cash and Cash Equivalents

Cash and cash equivalents at March 31, 2018 consist of the following:

Checking Account	\$ 19,685
Savings Account	<u>170,137</u>
Total Cash and Cash Equivalents	<u>\$ 189,822</u>

During the year ended March 31, 2018, the Organization did not have a cash balance in a bank that exceeded the federally insured limit of \$250,000.

NOTE 3 – Advertising

Advertising costs are charged to operations when incurred. Total advertising expenses for the year ended March 31, 2018 was \$8,926.

NOTE 4 – Contributed Services

A significant portion of the Organization's program services, fundraising, and administrative functions are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements because these services do not meet the criteria for recognition as contributed services as they do not require specific expertise. Approximately 110 individuals volunteer for the Organization annually.

NOTE 5 – Environmental Issues

The Organization has not been identified as a Potentially Responsible Party (PRP) by any environmental agency. Management is not aware of any environmental issues that may affect these financial statements.

MISSION CONNEXION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2018

See Independent Accountants' Compilation Report

NOTE 6 – 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. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Payroll and related expenses totaling \$101,034 have been allocated as follows:

Program Services	\$ 58,600
Management and General	32,331
Fundraising	<u>10,103</u>
Total Allocated Payroll and Related Expenses	<u>\$ 101,034</u>

NOTE 7 – Supplemental Disclosure of Cash Flow Information

No income taxes were paid during the year ended March 31, 2018. No interest was paid during the year ended March 31, 2018.

NOTE 8 – Subsequent Events

The Organization has completed additional training events subsequent to the date of the financial statements. These were all designed to strengthen and equip the local churches and were all in accordance with the Organization's mission. The date to which events occurring after March 31, 2018, the date of the most recent financial position, have been evaluated for possible adjustment to the financial statements or disclosure is June 30, 2018, which is the date on which the financial statements were available to be issued.

NOTE 8 – Simple IRA Retirement Plan

The Organization sponsors a Simple IRA retirement plan covering qualified employees, as defined. Employees who receive salary of at least \$5,000 are eligible to participate in the plan. The Organization matches the employee's contribution up to a maximum of three percent of the eligible employee's compensation. The Organization contributed approximately \$1,295 in matching Simple IRA contributions for the year ended March 31, 2018.

MISSION CONNEXION
NOTES TO FINANCIAL STATEMENTS
Year Ended March 31, 2018

See Independent Accountants' Compilation Report

NOTE 9 – Rent Expense

The Organization rents office space, a computer, and a phone line from another not-for-profit organization for \$200 per month, which the Organization estimates to be fair market value. No lease agreement has been signed. The Organization purchases its own supplies and is billed for copier use. Total rent expenses for the year ended March 31, 2018 was \$2,400.