THE MOYER FOUNDATION

Financial Statements

December 31, 2017 and 2016

Kreischer Miller

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THE MOYER FOUNDATION
December 31, 2017 and 2016

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Independent Auditors' Report

The Board of Trustees
The Moyer Foundation
Philadelphia, Pennsylvania

We have audited the accompanying financial statements of The Moyer Foundation, which comprise the statements of financial position as of December 31, 2017 and 2016 and the related statements of activities, functional expenses, 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 the 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditors consider 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 Moyer Foundation as of December 31, 2017 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.

Kreischer Miller

Horsham, Pennsylvania
July 11, 2018

THE MOYER FOUNDATION

Statements of Financial Position
December 31, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 212,828	$ 307,407
Investments	378,100	424,399
Contributions receivable, net	1,702,550	1,645,221
Related party contributions receivable	68,750	135,050
Inventory	57,309	63,307
Prepaid expenses and other current assets	24,996	36,342
Total current assets	2,444,533	2,611,726
Contributions receivable, net	13,444	1,552,471
Related party contributions receivable	143,421	201,074
Property and equipment, net	53,260	57,259
	$ 2,654,658	$ 4,422,530
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	$ 76,975	$ 95,363
Net assets:		
Unrestricted	531,916	525,687
Temporarily restricted	2,045,767	3,801,480
Total net assets	2,577,683	4,327,167
Total liabilities and net assets	$ 2,654,658	$ 4,422,530

See accompanying notes to financial statements.

Statements of Activities
December 31, 2017 and 2016

	2017		
	Unrestricted	Temporarily Restricted	Total
Revenue:			
Special events	$ 160,488	$ -	$ 160,488
Direct benefit to donors	(36,978)	-	(36,978)
	123,510	-	123,510
Contributions	447,011	252,420	699,431
Partner and community events	142,656	-	142,656
In-kind contributions	865,445	-	865,445
Investment income	70,361	-	70,361
Other income	26,867	-	26,867
Net assets released from restrictions	2,008,133	(2,008,133)	-
	3,683,983	(1,755,713)	1,928,270
Expenses:			
Program services	2,877,783	-	2,877,783
Management and general	408,508	-	408,508
Fundraising	391,463	-	391,463
	3,677,754	-	3,677,754
Change in net assets	6,229	(1,755,713)	(1,749,484)
Net assets, beginning of year	525,687	3,801,480	4,327,167
Net assets, end of year	$ 531,916	$ 2,045,767	$ 2,577,683

See accompanying notes to financial statements.

2016		
Unrestricted	Temporarily Restricted	Total
$ 333,335	$ -	$ 333,335
(72,132)	-	(72,132)
261,203	-	261,203
295,224	2,741,699	3,036,923
126,052	-	126,052
1,001,787	-	1,001,787
23,944	-	23,944
189,950	-	189,950
1,884,860	(1,884,860)	-
3,783,020	856,839	4,639,859
2,891,422	-	2,891,422
490,895	-	490,895
407,887	-	407,887
3,790,204	-	3,790,204
(7,184)	856,839	849,655
532,871	2,944,641	3,477,512
$ 525,687	$ 3,801,480	$ 4,327,167

THE MOYER FOUNDATION

Statement of Functional Expenses
Year Ended December 31, 2017

	Camp Erin	Camp Mariposa	National Resource Center
Grants and program related costs (including in-kind of $82,305)	$ 508,565	$ 524,475	$ 332
Marketing and promotion (including in-kind of $734,070)	472,303	254,162	6,721
Salaries and employee benefits	285,819	256,961	194,594
Special events expenses (including in-kind of $3,534)	27,275	9,106	-
Professional services (including in-kind of $43,643)	24,739	79,031	9,477
Rent and occupancy	31,101	26,157	19,303
Travel and conferences	80,771	16,915	2,847
Office expenses (including in-kind of $1,894)	720	624	446
Postage and printing	6,816	1,402	643
Telephone and utilities	5,230	4,398	3,243
Depreciation	3,875	3,266	3,080
Dues and subscriptions	2,593	2,302	1,586
Insurance	2,474	2,064	1,532
Miscellaneous	101	669	65
	1,452,382	1,181,532	243,869
Expenses included with revenue on the statement of activities	-	-	-
Total expenses	$ 1,452,382	$ 1,181,532	$ 243,869

See accompanying notes to financial statements.

Total Program Services	Management and General	Fundraising	Total
$ 1,033,372	$ 4	$ 60	$ 1,033,436
733,186	11,082	13,177	757,445
737,374	276,860	247,319	1,261,553
36,381	-	81,467	117,848
113,247	33,252	6,035	152,534
76,561	28,072	24,345	128,978
100,533	21,840	15,081	137,454
1,790	6,850	6,465	15,105
8,861	4,121	4,342	17,324
12,871	4,661	4,094	21,626
10,221	4,667	3,032	17,920
6,481	3,641	3,646	13,768
6,070	4,427	1,941	12,438
835	9,031	17,437	27,303
2,877,783	408,508	428,441	3,714,732
-	-	(36,978)	(36,978)
$ 2,877,783	$ 408,508	$ 391,463	$ 3,677,754

Statement of Functional Expenses
Year Ended December 31, 2016

	Camp Erin	Camp Mariposa	National Resource Center
Grants and program related costs (including in-kind of $114,173)	$ 458,879	$ 557,757	$ 99
Marketing and promotion (including in-kind of $820,450)	541,249	292,707	3,526
Salaries and employee benefits	284,036	270,538	159,605
Special event expense (including in-kind of $11,813)	29,329	9,776	-
Professional service (including in-kind of $53,183)	33,245	63,069	27,847
Rent and occupancy	31,339	29,351	16,106
Travel and conferences	5,314	21,019	428
Office expenses (including in-kind of $2,168)	1,483	1,364	824
Postage and printing	5,523	3,055	110
Telephone and utilities	5,027	4,719	2,584
Depreciation	6,305	5,923	3,258
Dues and subscriptions	1,985	2,012	1,061
Insurance	3,106	2,894	1,626
Miscellaneous	1,324	1,290	730
	1,408,144	1,265,474	217,804
Expenses included with revenue on the statement of activities	-	-	-
Total expenses	$ 1,408,144	$ 1,265,474	$ 217,804

See accompanying notes to financial statements.

Total Program Services	Management and General	Fundraising	Total
$ 1,016,735	$ -	$ -	$ 1,016,735
837,482	9,395	4,311	851,188
714,179	289,566	223,631	1,227,376
39,105	-	130,203	169,308
124,161	83,664	25,493	233,318
76,796	25,695	22,471	124,962
26,761	39,178	13,880	79,819
3,671	8,119	9,156	20,946
8,688	7,065	1,065	16,818
12,330	4,391	3,621	20,342
15,486	5,124	4,524	25,134
5,058	3,679	5,846	14,583
7,626	2,517	2,199	12,342
3,344	12,502	33,619	49,465
2,891,422	490,895	480,019	3,862,336
-	-	(72,132)	(72,132)
$ 2,891,422	$ 490,895	$ 407,887	$ 3,790,204

THE MOYER FOUNDATION

Statements of Cash Flows
December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Change in net assets	$ (1,749,484)	$ 849,655
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	17,920	25,134
Write-off of uncollectible pledges	-	22,333
Pledges receivable discount change	-	4,073
Realized and unrealized gains on investments	(60,726)	(12,344)
(Increase) decrease in operating assets:		
Contributions receivable	1,605,651	(754,058)
Inventory	5,998	9,596
Prepaid expenses and other current assets	11,346	(7,099)
Decrease in accounts payable and accrued expenses	(18,388)	(144,864)
Net cash used in operating activities	(187,683)	(7,574)
Cash flows from investing activities:		
Purchases of property and equipment	(13,921)	(17,649)
Purchase of investments	(11,376)	(271,683)
Proceeds from sale of investments	118,401	232,378
Net cash provided by (used in) investing activities	93,104	(56,954)
Net decrease in cash and cash equivalents	(94,579)	(64,528)
Cash and cash equivalents, beginning of year	307,407	371,935
Cash and cash equivalents, end of year	$ 212,828	$ 307,407

See accompanying notes to financial statements.

(1) Nature of Organization

The Moyer Foundation (the Foundation) is a non-profit organization with a mission to provide comfort, hope, and healing to children and families affected by grief or addiction. Founded in Seattle by former MLB champion pitcher Jamie Moyer and child advocate Karen Phelps Moyer, the Foundation created and supports three signature programs which are fully sponsored by donors to remain free of charge for all families:

- Camp Erin is the largest national bereavement program for youth grieving the death of a significant person in their lives.
- Camp Mariposa is a national addiction prevention and mentoring program for youth impacted by substance abuse in their families and is held every other month.
- The Moyer Foundation Resource Center launched in 2016 extends the Foundation's continuum of care by providing personalized phone and email support with a comprehensive online library of support offerings for children, families, educators and all those who need assistance with grief, substance use and other mental health support on subjects such as bullying, suicide prevention and mindfulness.

The Foundation partners with local organizations throughout the U.S. and Canada and its support comes primarily from donor contributions, corporate sponsors, grants, and fundraising events.

(2) Summary of Significant Accounting Policies

Basis of Accounting

The Foundation prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for Not-for-Profit Organizations. The significant accounting and reporting policies used by the Foundation are described subsequently to enhance the usefulness and understandability of the financial statements.

Continued...

(2) Summary of Significant Accounting Policies, Continued

Financial Statement of Presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets. Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained in perpetuity. The Foundation does not have any permanently restricted net assets.

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and money market funds. The Foundation considers all short-term securities with an original maturity of three months or less to be cash equivalents.

Investments

Investments are recorded at fair value in the statements of financial position. Changes in fair value, realized gains and losses, interest and dividends earned on investments are recognized in the statements of activities.

Contributions Receivable

Contributions receivable are reported at the amount management expects to collect on balances outstanding at year end. Management reviews the collectability of contributions receivable on a periodic basis and determines the amount estimated to be uncollectible. A reserve for doubtful accounts is then established. The Foundation charges off receivables against the allowance when management determines that a receivable is not fully collectible.

Inventory

Items in inventory include sports memorabilia and camp apparel, and are stated at lower of cost (first-in, first-out method) or net realizable value.

Continued...

(2) Summary of Significant Accounting Policies, Continued

Property and Equipment

Property and equipment are recorded at cost if purchased, or at fair value at the date of receipt, if contributed. Items with a cost exceeding $1,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of seven years for office furnishings, five years for website design, and three years for office equipment. Expenditures for normal maintenance and repairs are expensed as incurred. Leasehold improvements are amortized using the straight-line method over the shorter of the term of the lease or the useful life of the asset.

Restricted and Unrestricted Contribution Revenue

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 and reported in the statement of activities as net assets released from restrictions, including restrictions that are met in the year of receipt.

Unconditional promises to give are recognized as contributions revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at fair value, which is estimated as net realizable value if expected to be collected in one year and discounted future cash flows if expected to be collected in more than one year, using interest rates ranging from 1.5% - 2.1%. Conditional promises to give are not included as support until the conditions are substantially met.

Special Events

Special events revenue is recognized at the time the event occurs. Special event payments received prior to the occurrence of the event are recognized as deferred revenue and special event expenses paid prior to the date of the event are recognized as prepaid expenses.

In-Kind Contributions

Contributed goods, advertising (including public service announcement commercials for the Foundation), and other miscellaneous services are recorded at fair value. For the years ended December 31, 2017 and 2016, $865,445 and $1,001,787, respectively, were recognized in the accompanying statements of activities.

Many individuals volunteer their time and perform a variety of tasks that assist the Foundation with events and programs. The value of this contributed time is not reflected in these financial statements because the criteria for recognition has not been satisfied.

Continued

(2) Summary of Significant Accounting Policies, Continued

Advertising and Marketing Costs

Advertising and marketing costs are expensed as incurred. Such expenses for the years ended December 31, 2017 and 2016, were $23,559 and $32,302, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to a concentration of credit risk consist principally of cash and cash equivalents, investments and contributions receivable. The Foundation places its cash and temporary cash investments with financial institutions and, at times, such cash balances may be in excess of the FDIC insurance limits. Investment strategy shall be diversified in a way that is consistent with the risk tolerance and investment objectives of the Foundation's investment policies and guidelines.

Concentrations of credit risk with respect to contributions receivable are limited due to the composition of the Foundation's contributor base. Management assesses the financial strength of its unconditional pledges receivable based on prior history and experience with its donor and grantor agencies.

Use of Estimates

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

Functional Allocation of Expenses

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

Income Taxes

The Foundation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, no provision for income taxes is included in the accompanying financial statements.

Continued...

(2) Summary of Significant Accounting Policies, Continued

Income Taxes, Continued

The Foundation files Federal Form 990 and has not filed a Form 990T. With few exceptions, The Foundation is no longer subject to U.S. federal or state and local income tax examinations by tax authorities for the years before 1899. It is difficult to predict the final timing and resolution of any particular uncertain tax position. The Foundation does not currently anticipate significant changes in its uncertain tax position over the next 12 months.

New Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*; which changes how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance and cash flows. The ASU requires an amended presentation and additional disclosures to help not-for-profit organizations provide more relevant information about their resources and changes in those resources. The amendments are effective for the Foundation's year ending December 31, 2018.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which updates the accounting guidance on revenue recognition. This standard is intended to provide a more robust framework for addressing revenue issues, improve comparability of revenue recognition practices, and improve disclosure requirements. The current effective date is for annual reporting periods beginning after December 15, 2018. A nonpublic entity may elect to apply this guidance earlier, under certain conditions. The Society is currently evaluating the impact of the provisions of the ASU on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which updates the accounting guidance for leases. FASB ASU 2016-02 improves transparency and comparability among companies by recognizing lease assets and lease liabilities on the balance sheet and by disclosing key information about leasing arrangements. FASB ASU 2016-02 is effective for fiscal year ending December 31, 2020, with early application permitted. The Foundation has not adopted this guidance for 2017 and is currently evaluating the impact of adoption.

Subsequent Events

The Foundation has evaluated subsequent events through July 11, 2018, the date the financial statements were available to be issued.

(3) Fair Value Measurements

FASB *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures,* provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Following is a description of the valuation methodologies used for assets measured at fair value. There has been no change in the methodologies used at December 31, 2017 and 2016. Mutual funds are valued at the closing price reported in active open markets.

	Assets at Fair Value as of December 31, 2017			
Description	Total	Level 1	Level 2	Level 3
Mutual funds:				
Large/mid-cap	$ 232,571	$ 232,571	$ -	$ -
Core taxable fixed income	72,073	72,073	-	-
Global blended fund	58,349	58,349	-	-
Emerging markets fund	15,107	15,107	-	-
Total assets at fair value	$ 378,100	$ 378,100	$ -	$ -

	Assets at Fair Value as of December 31, 2016			
Description	Total	Level 1	Level 2	Level 3
Mutual funds:				
Large/mid-cap	$ 195,685	$ 195,685	$ -	$ -
Core taxable fixed income	167,214	167,214	-	-
Global blended fund	50,147	50,147	-	-
Emerging markets fund	11,353	11,353	-	-
Total assets at fair value	$ 424,399	$ 424,399	$ -	$ -

Continued...

(3) Fair Value Measurements, Continued

Through the use of a globally diversified investment strategy, the primary investment objectives of the Foundation are 1) to grow the assets of the investment portfolio at a rate that is greater than the rate of inflation and 2) to provide cash flow on occasion and at the discretion of the Foundation to supplement the general fund. With the approval of the Board of Trustees, the Foundation may also draw principal from this account from time to time in order to maintain operations and meet financial commitments of the Foundation.

Investment income during the years ended December 31 consisted of the following:

	2017	2016
Interest and dividends	$ 9,635	$ 11,600
Realized and unrealized gains on investments, net	60,726	12,344
	$ 70,361	$ 23,944

(4) Contributions Receivable

Contributions receivable consist of the following at December 31:

	2017	2016
Receivable in less than one year	$ 1,722,550	$ 1,665,221
Receivable in one to five years	19,367	1,630,241
	1,741,917	3,295,462
Allowance for doubtful accounts	(20,000)	(20,000)
Discounts to present value	(5,923)	(77,770)
	$ 1,715,994	$ 3,197,692

Related party contributions receivable, including contributions from board members, board member affiliated parties and employees, consist of the following at December 31:

	2017	2016
Current related party contribution receivables	$ 68,750	$ 135,050
Long-term related party contribution receivables	143,421	201,074
	$ 212,171	$ 336,124

Continued...

(4) Contributions Receivable, Continued

At December 31, 2017, 84% of contributions receivable were due from three donors. Contributions from two donors accounted for 24% of total contributions revenue in 2017.

During the years ended December 31, 2017 and 2016, the Foundation received contributions from members of its Board of Directors and other related parties amounting to $112,291 and $92,775, respectively.

(5) Property and Equipment

Property and equipment consist of the following at December 31:

	2017	2016
Office equipment and furnishings	$ 140,316	$ 137,642
Website design	112,500	101,253
Leasehold improvements	122,947	122,947
	375,763	361,842
Accumulated depreciation	(322,503)	(304,583)
	$ 53,260	$ 57,259

Depreciation expense was $17,920 and $25,134 for the years ended December 31, 2017 and 2016, respectively.

(6) Temporarily Restricted Net Assets

Temporarily restricted amounts are those which are stipulated by donors for specific operating purposes or time periods. If temporarily restricted contributions are used for their restricted purpose in the same year as received, they are classified as unrestricted contributions. Temporarily restricted net assets, listed by purpose or time period, consist of the following at December 31:

	2017	2016
Camp Erin	$ 807,148	$ 1,497,307
Camp Mariposa	1,101,183	2,100,741
National Resource Center	39,688	79,561
Catch a Cure for Cancer - Gregory Fund	4,046	4,046
Time restricted	93,702	119,825
	$ 2,045,767	$ 3,801,480

(7) Lease Commitments

The Foundation leases office space in Seattle, Washington and Philadelphia, Pennsylvania under non-cancelable operating lease agreements expiring through May 2023. Total rent expense on these leases was $123,083 and $121,654 in 2017 and 2016, respectively.

Minimum future lease payments under these leases are as follows:

Years Ending December 31,	Amount
2018	$ 77,936
2019	$ 32,252
2020	$ 33,219
2021	$ 34,216
2022	$ 35,242
Thereafter	$ 17,882

(8) Retirement Plan

The Foundation has a 401(k) plan providing retirement benefits to its employees. Employees may contribute up to the maximum amount provided by law. The Foundation will make a fixed safe harbor nonelective contribution in an amount equal to 3% of the employee's compensation for the plan year. Employees are eligible for participation in the plan at age 21 and after a 90 day probationary period. All employer contributions vest immediately for eligible participants. In addition, the plan allows for discretionary matching contributions as determined by the Foundation. The Foundation's contributions to the plan were $31,909 and $30,661 for the years ended December 31, 2017 and 2016, respectively.

(9) Claims and Contingencies

The Foundation provides funding to local community organizations in the fields of bereavement, health, and child and family services for the establishment and operation of various camps and related programs across North America. The Foundation conditionally pledges annual funds to each community organization for a multiyear time period which may vary in amount and duration pending compliance with the grant terms and conditions. The Foundation only provides funds to cover approved program expenses and reserves the right to terminate its obligations at any time. As of December 31, 2017, if all grants were fulfilled, the Foundation would expend a total of $2,217,003 in partner program funding through the year 2025.