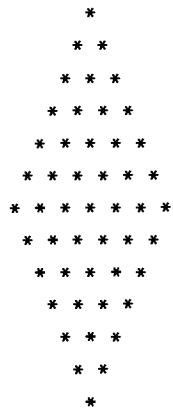


AUDITED FINANCIAL STATEMENTS

**MISSOURI LIBRARY ASSOCIATION
BALLWIN, MISSOURI**

**FOR THE YEARS ENDED
DECEMBER 31, 2014 (AUDITED)
AND 2013 (REVIEWED)**



**BEARD-BOEHMER & ASSOCIATES, PC
CERTIFIED PUBLIC ACCOUNTANTS
COLUMBIA, MISSOURI**

**MISSOURI LIBRARY ASSOCIATION
COLUMBIA, MISSOURI
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July 16, 2015

INDEPENDENT AUDITORS' REPORT

Board of Directors
Missouri Library Association
Ballwin, MO

We have audited the accompanying financial statements of Missouri Library Association (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014, and 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.

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 of America. 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 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 Missouri Library Association as of December 31, 2014, 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 of America.

**MISSOURI LIBRARY ASSOCIATION
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

Other Matters

The financial statements for the year ended December 31, 2013 were reviewed by us. We were not aware of any material modification needed for the financial statements to be in conformity with generally accepted accounting principles in our report dated May 5, 2014. A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion on the financial statements for the year ended December 31, 2013.

Beard-Boehmer & Associates, PC

Beard-Boehmer & Associates, PC
Columbia, MO

**MISSOURI LIBRARY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014 (AUDITED) AND 2013 (REVIEWED)**

	<u>2014</u> <u>(AUDITED)</u>	<u>2013</u> <u>(REVIEWED)</u>
<u>ASSETS</u>		
ASSETS		
Cash and cash equivalents	\$ 147,398	\$ 139,058
Investments	22,417	21,474
Accounts receivable	1,068	2,722
Prepaid expenses	<u>2,000</u>	<u>2,000</u>
TOTAL ASSETS	<u>\$ 172,883</u>	<u>\$ 165,254</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Deferred revenue	\$ <u>4,193</u>	\$ <u>8,180</u>
TOTAL LIABILITIES	<u>\$ 4,193</u>	<u>\$ 8,180</u>
NET ASSETS		
Unrestricted	\$ 132,932	\$ 120,805
Temporarily restricted	<u>35,758</u>	<u>36,269</u>
TOTAL NET ASSETS	<u>\$ 168,690</u>	<u>\$ 157,074</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 172,883</u>	<u>\$ 165,254</u>

**THE ACCOMPANYING NOTES TO THESE FINANCIAL STATEMENT
ARE AN INTEGRAL PART OF THIS STATEMENT**

**MISSOURI LIBRARY ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED)
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013 (REVIEWED))**

	2014 (AUDITED)			2013 (REVIEWED)
	Unrestricted	Temporarily Restricted	Total	Total
SUPPORT AND REVENUES				
Conference and exhibits	\$ 81,948	\$ -	\$ 81,948	\$ 83,065
Membership dues	47,545	-	47,545	44,320
Contributions and grants	-	3,034	3,034	3,285
Jobline	2,360	-	2,360	2,360
Legislative	2,935	-	2,935	4,825
Investment return	1,050	35	1,085	(753)
Net assets released from restrictions:				
Restrictions satisfied by payments	3,580	(3,580)	-	-
TOTAL SUPPORT AND REVENUES . . .	\$ 139,418	\$ (511)	\$ 138,907	\$ 137,102
EXPENSES AND LOSSES				
Program services	\$ 116,380	\$ -	\$ 116,380	\$ 122,975
Management and general	10,911	-	10,911	7,484
TOTAL EXPENSES AND LOSSES	\$ 127,291	\$ -	\$ 127,291	\$ 130,459
CHANGE IN NET ASSETS	\$ 12,127	\$ (511)	\$ 11,616	\$ 6,643
NET ASSETS, BEGINNING OF YEAR . .	\$ 120,805	\$ 36,269	\$ 157,074	\$ 150,431
NET ASSETS, END OF YEAR	\$ 132,932	\$ 35,758	\$ 168,690	\$ 157,074

**THE ACCOMPANYING NOTES TO THESE FINANCIAL STATEMENT
ARE AN INTEGRAL PART OF THIS STATEMENT**

**MISSOURI LIBRARY ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013 (REVIEWED)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES			
Conference and exhibits	\$ 83,065	\$ -	\$ 83,065
Membership dues	44,320	-	44,320
Contributions and grants	-	3,285	3,285
Jobline	2,360	-	2,360
Legislative	4,825	-	4,825
Investment return	(794)	41	(753)
Net assets released from restrictions:			
Restrictions satisfied by payments	<u>13,080</u>	<u>(13,080)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	\$ <u>146,856</u>	\$ <u>(9,754)</u>	\$ <u>137,102</u>
EXPENSES AND LOSSES			
Program services	\$ 122,975	\$ -	\$ 122,975
Management and general	<u>7,484</u>	<u>-</u>	<u>7,484</u>
TOTAL EXPENSES AND LOSSES	\$ <u>130,459</u>	\$ <u>-</u>	\$ <u>130,459</u>
CHANGE IN NET ASSETS	\$ <u>16,397</u>	\$ <u>(9,754)</u>	\$ <u>6,643</u>
NET ASSETS, BEGINNING OF YEAR	\$ <u>104,408</u>	\$ <u>46,023</u>	\$ <u>150,431</u>
NET ASSETS, END OF YEAR	\$ <u><u>120,805</u></u>	\$ <u><u>36,269</u></u>	\$ <u><u>157,074</u></u>

**THE ACCOMPANYING NOTES TO THESE FINANCIAL STATEMENT
ARE AN INTEGRAL PART OF THIS STATEMENT**

**MISSOURI LIBRARY ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED)
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013 (REVIEWED))**

	2014 (AUDITED)					2013 (REVIEWED)	
	Program Services			Total Program	Management and General	Total	Total
Expenses	Conference	Legislative	Membership				
ACRL Councilor	\$ 234	\$ 6	\$ 329	\$ 569	\$ 63	\$ 632	\$ 998
ALA Councilor	1,078	29	1,515	2,622	291	2,913	2,957
Annual conference	48,405	-	-	48,405	-	48,405	43,209
Board retreat	-	-	-	-	602	602	-
Donations	-	-	-	-	100	100	100
Dues	56	2	78	136	15	151	150
Emerging leader	370	10	520	900	100	1,000	1,000
Grant expenses	-	-	-	-	-	-	10,669
Insurance	870	24	1,223	2,117	235	2,352	1,882
Legislative expenses	-	11,574	-	11,574	-	11,574	17,265
Miscellaneous	1,221	33	1,716	2,970	328	3,298	2,053
Picture book	-	-	-	-	365	365	545
Printing	201	5	283	489	54	543	-
Professional fees	19,157	518	26,923	46,598	5,178	51,776	48,551
Scholarships	-	-	-	-	2,000	2,000	1,000
Schmidt luncheon	-	-	-	-	1,580	1,580	80
Total expenses	\$ 71,592	\$ 12,201	\$ 32,587	\$ 116,380	\$ 10,911	\$ 127,291	\$ 130,459

**THE ACCOMPANYING NOTES TO THESE FINANCIAL STATEMENT
ARE AN INTEGRAL PART OF THIS STATEMENT**

**MISSOURI LIBRARY ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013 (REVIEWED)**

Expenses	Program Services			Total Program	Management and General	Total
	Conference	Legislative	Membership			
ACRL Councilor	\$ 369	\$ 10	\$ 519	\$ 898	\$ 100	\$ 998
ALA Counselor	1,094	29	1,538	2,661	296	2,957
Annual conference	43,209	-	-	43,209	-	43,209
Donations	-	-	-	-	100	100
Dues	56	1	78	135	15	150
Emerging leader	370	10	520	900	100	1,000
Grant expenses	10,669	-	-	10,669	-	10,669
Insurance	696	19	979	1,694	188	1,882
Legislative expenses	-	17,265	-	17,265	-	17,265
Miscellaneous	760	21	1,067	1,848	205	2,053
Picture book	-	-	-	-	545	545
Professional fees	17,964	486	25,246	43,696	4,855	48,551
Scholarships	-	-	-	-	1,000	1,000
Schmidt luncheon	-	-	-	-	80	80
Total expenses	\$ 75,187	\$ 17,841	\$ 29,947	\$ 122,975	\$ 7,484	\$ 130,459

**THE ACCOMPANYING NOTES TO THESE FINANCIAL STATEMENT
ARE AN INTEGRAL PART OF THIS STATEMENT**

**MISSOURI LIBRARY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED) AND 2013 (REVIEWED)**

	<u>2014</u> <u>(AUDITED)</u>	<u>2013</u> <u>(REVIEWED)</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 11,616	\$ 6,643
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gains) losses on investments	(411)	1,643
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	1,654	(1,432)
(Increase) decrease in prepaid expenses	-	(2,000)
Increase (decrease) in deferred revenue	<u>(3,987)</u>	<u>(650)</u>
Total Adjustments	<u>\$ (2,744)</u>	<u>\$ (2,439)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 8,872</u>	<u>\$ 4,204</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Reinvestment of interest and dividends	<u>\$ (532)</u>	<u>\$ (722)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>\$ (532)</u>	<u>\$ (722)</u>
CHANGE IN CASH	\$ 8,340	\$ 3,482
CASH, BEGINNING OF YEAR	<u>\$ 139,058</u>	<u>\$ 135,576</u>
CASH, END OF YEAR	<u><u>\$ 147,398</u></u>	<u><u>\$ 139,058</u></u>

**THE ACCOMPANYING NOTES TO THESE FINANCIAL STATEMENT
ARE AN INTEGRAL PART OF THIS STATEMENT**

MISSOURI LIBRARY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 (AUDITED) AND 2013 (REVIEWED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Purpose of the Organization

The Missouri Library Association (the "Organization") provides information to the library community of the State of Missouri. Conferences, workshops, newsletters, and other publications are provided to facilitate the exchange of information and provide continuing professional education for librarians, staff, and trustees of libraries in the State of Missouri.

B. Basis of Accounting

The Missouri Library Association presents its financial statements on the accrual basis of accounting with revenues recognized when earned and expenses recognized when incurred.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

D. Accounts Receivable

All accounts receivable are considered collectable as of December 31, 2014 and 2013. No allowance for doubtful accounts has been recorded.

E. Income Tax Status

The Missouri Library Association qualifies as a tax exempt corporation under Section 501(c)(3) of the U.S. Internal Revenue Code, and is not a private foundation pursuant to section 509(a) of the code.

F. Contributions

All contributions are considered to be available for the general program of the Organization unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 statement of activities as net assets released from restrictions. Contributions that are restricted by the donors are reported as an increase in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are received.

G. Contributed Goods and Services

Although none were received in the current year, the Organization reports amounts in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and which would be typically purchased if not provided by donation and the amounts involved can be objectively measured.

H. Use of Estimates

Preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those amounts.

I. Functional Expenses

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

**MISSOURI LIBRARY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 (AUDITED) AND 2013 (REVIEWED)**

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents are composed of the following at December 31:

	2014 (AUDITED)	2013 (REVIEWED)
Checking – Operating	\$ 40,549	\$ 31,805
Money Market – Board	71,091	70,984
Money Market – Schmidt Fund	7,533	6,957
Money Market – Bohley Fund	28,225	29,312
Total Cash and cash equivalents	<u>\$ 147,398</u>	<u>\$ 139,058</u>

NOTE 3: INVESTMENTS

Investments are composed of the following at December 31:

	2014 (AUDITED)	2013 (REVIEWED)
Mutual fund	\$ 22,417	\$ 21,474
Total Investments	<u>\$ 22,417</u>	<u>\$ 21,474</u>

NOTE 4: FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at a fair value on a recurring basis

The following are the major categories of assets and liabilities measured at fair values on a recurring basis as of December 31, 2014 (AUDITED):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Marketable Securities				
Mutual Funds	\$ 22,417	\$ -	\$ -	\$ 22,417
Total Marketable Securities	<u>\$ 22,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,417</u>

As of December 31, 2013 (REVIEWED):

Marketable Securities				
Mutual Funds	\$ 21,474	\$ -	\$ -	\$ 21,474
Total Marketable Securities	<u>\$ 21,474</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,474</u>

**MISSOURI LIBRARY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 (AUDITED) AND 2013 (REVIEWED)**

NOTE 4: FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following are changes in fair values for items measured at fair value for the year ended December 31:

	2014 (AUDITED)	2013 (REVIEWED)
Trading gains (losses) on marketable securities		
Unrealized gains (losses)	\$ 411	\$ (1,643)
Total trading gains (losses) on marketable securities	\$ 411	\$ (1,643)

Fair value of financial instruments

Due to their short-term nature, the carrying value of cash, investments in certificates of deposits, short-term receivables, and short-term payables approximate their fair value at December 31, 2014 and 2013.

Since the market value of the investments fluctuates every year, the Organization is subject to a concentration of credit risk on most of its assets. Management believes the investment policy is prudent for the long-term welfare of the Organization and its beneficiaries by taking a conservative investment approach.

Investment return consists of the following for the year ending December 31:

	2014 (AUDITED)	2013 (REVIEWED)
Interest income	\$ 142	\$ 168
Dividend income	532	722
Unrealized gain (loss) on investments	411	(1,643)
Total Investment return	\$ 1,085	\$ (753)

NOTE 5: TEMPORARILY RESTRICTED NET ASSETS

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

	2014 (AUDITED)	2013 (REVIEWED)
Bohley Scholarship	\$ 28,225	\$ 29,312
Schmidt Scholarship	7,533	6,957
Total restrictions with payment restrictions	\$ 35,758	\$ 36,269

NOTE 6: SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 16, 2015, the date on which the financial statements were available to be issued.