

**REVIEWED FINANCIAL STATEMENTS**

**MISSOURI LIBRARY ASSOCIATION  
BALLWIN, MISSOURI**

**FOR THE YEARS ENDED  
DECEMBER 31, 2015 (REVIEWED)  
AND 2014 (AUDITED)**

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

**MISSOURI LIBRARY ASSOCIATION  
COLUMBIA, MISSOURI  
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April 29, 2016

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors  
Missouri Library Association  
Ballwin, MO

We have reviewed the accompanying financial statements of Missouri Library Association (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 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.

### Accountants' 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 AICPA. 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.

### Accountants' 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.

### Prior Period Financial Statements

The 2014 financial statements were audited by us, and we expressed an unqualified opinion on them in our report dated July 16, 2015, but we have not performed any auditing procedures since that date.

*Beard-Boehmer & Associates, PC*

Beard-Boehmer & Associates, PC  
Columbia, MO

**MISSOURI LIBRARY ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2015 (REVIEWED) AND 2014 (AUDITED)**

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	<u>2015</u> <u>(REVIEWED)</u>	<u>2014</u> <u>(AUDITED)</u>
<b><u>ASSETS</u></b>		
ASSETS		
Cash and cash equivalents	\$ 139,167	\$ 147,398
Investments	22,658	22,417
Accounts receivable	780	1,068
Prepaid expenses	<u>841</u>	<u>2,000</u>
TOTAL ASSETS . . . . .	<u>\$ 163,446</u>	<u>\$ 172,883</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
LIABILITIES		
Deferred revenue	<u>\$ 3,006</u>	<u>\$ 4,193</u>
TOTAL LIABILITIES . . . . .	<u>\$ 3,006</u>	<u>\$ 4,193</u>
NET ASSETS		
Unrestricted	\$ 124,225	\$ 132,932
Temporarily restricted	<u>36,215</u>	<u>35,758</u>
TOTAL NET ASSETS . . . . .	<u>\$ 160,440</u>	<u>\$ 168,690</u>
TOTAL LIABILITIES AND NET ASSETS . . . . .	<u>\$ 163,446</u>	<u>\$ 172,883</u>

**SEE ACCOMPANYING NOTES  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

**MISSOURI LIBRARY ASSOCIATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015 (REVIEWED)  
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED))**

	<u>2015(REVIEWED)</u>			<u>2014 (AUDITED)</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
<b>SUPPORT AND REVENUES</b>				
Conference and exhibits	\$ 92,097	\$ -	\$ 92,097	\$ 81,948
Membership dues	46,698	-	46,698	47,545
Contributions and grants	-	2,423	2,423	3,034
Jobline	3,040	-	3,040	2,360
Legislative	3,105	-	3,105	2,935
Investment return	348	34	382	1,085
Net assets released from restrictions:				
Restrictions satisfied by payments	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUES . . .</b>	<b><u>\$ 147,288</u></b>	<b><u>\$ 457</u></b>	<b><u>\$ 147,745</u></b>	<b><u>\$ 138,907</u></b>
<b>EXPENSES AND LOSSES</b>				
Program services	\$ 146,860	\$ -	\$ 146,860	\$ 116,380
Management and general	<u>9,135</u>	<u>-</u>	<u>9,135</u>	<u>10,911</u>
<b>TOTAL EXPENSES AND LOSSES . . . .</b>	<b><u>\$ 155,995</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 155,995</u></b>	<b><u>\$ 127,291</u></b>
<b>CHANGE IN NET ASSETS</b>	<b><u>\$ (8,707)</u></b>	<b><u>\$ 457</u></b>	<b><u>\$ (8,250)</u></b>	<b><u>\$ 11,616</u></b>
<b>NET ASSETS, BEGINNING OF YEAR . .</b>	<b><u>\$ 132,932</u></b>	<b><u>\$ 35,758</u></b>	<b><u>\$ 168,690</u></b>	<b><u>\$ 157,074</u></b>
<b>NET ASSETS, END OF YEAR . . . . .</b>	<b><u>\$ 124,225</u></b>	<b><u>\$ 36,215</u></b>	<b><u>\$ 160,440</u></b>	<b><u>\$ 168,690</u></b>

**SEE ACCOMPANYING NOTES  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

**MISSOURI LIBRARY ASSOCIATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED)**

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	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>SUPPORT AND REVENUES</b>			
Conference and exhibits	\$ 81,948	\$ -	\$ 81,948
Membership dues	47,545	-	47,545
Contributions and grants	-	3,034	3,034
Jobline	2,360	-	2,360
Legislative	2,935	-	2,935
Investment return	1,050	35	1,085
Net assets released from restrictions:			
Restrictions satisfied by payments	3,580	(3,580)	-
<b>TOTAL SUPPORT AND REVENUES . . . . .</b>	<b>\$ 139,418</b>	<b>\$ (511)</b>	<b>\$ 138,907</b>
<b>EXPENSES AND LOSSES</b>			
Program services	\$ 116,380	\$ -	\$ 116,380
Management and general	10,911	-	10,911
<b>TOTAL EXPENSES AND LOSSES . . . . .</b>	<b>\$ 127,291</b>	<b>\$ -</b>	<b>\$ 127,291</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 12,127</b>	<b>\$ (511)</b>	<b>\$ 11,616</b>
<b>NET ASSETS, BEGINNING OF YEAR . . . . .</b>	<b>\$ 120,805</b>	<b>\$ 36,269</b>	<b>\$ 157,074</b>
<b>NET ASSETS, END OF YEAR . . . . .</b>	<b>\$ 132,932</b>	<b>\$ 35,758</b>	<b>\$ 168,690</b>

**SEE ACCOMPANYING NOTES  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

**MISSOURI LIBRARY ASSOCIATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015 (REVIEWED)  
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED))**

	2015 (REVIEWED)					2014 (AUDITED)	
	Program Services						
	Conference	Legislative	Membership	Total Program	Management and General	Total	Total
Expenses							
ACRL Councilor	\$ 370	\$ 10	\$ 520	\$ 900	\$ 100	\$ 1,000	\$ 632
ALA Councilor	1,110	30	1,560	2,700	300	3,000	2,913
Annual conference	75,200	-	-	75,200	-	75,200	48,405
Board retreat	-	-	-	-	198	198	602
Donations	-	-	-	-	100	100	100
Dues	56	2	78	136	15	151	151
Emerging leader	320	9	450	779	87	866	1,000
Insurance	1,187	32	1,668	2,887	321	3,208	2,352
Legislative expenses	-	13,257	-	13,257	-	13,257	11,574
Miscellaneous	852	23	1,198	2,073	230	2,303	3,298
Picture book	-	-	-	-	347	347	365
Printing	65	2	91	158	18	176	543
Professional fees	19,984	540	28,085	48,609	5,401	54,010	51,776
Scholarships	-	-	-	-	1,000	1,000	2,000
Schmidt luncheon	-	-	-	-	1,000	1,000	1,580
Travel	66	2	93	161	18	179	-
<b>Total expenses . . . . .</b>	<b>\$ 99,210</b>	<b>\$ 13,907</b>	<b>\$ 33,743</b>	<b>\$ 146,860</b>	<b>\$ 9,135</b>	<b>\$ 155,995</b>	<b>\$ 127,291</b>

**SEE ACCOMPANYING NOTES  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

**MISSOURI LIBRARY ASSOCIATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2014 (AUDITED)**

	<u>Program Services</u>			<u>Total Program</u>	<u>Management and General</u>	<u>Total</u>
	<u>Conference</u>	<u>Legislative</u>	<u>Membership</u>			
Expenses						
ACRL Councilor	\$ 234	\$ 6	\$ 329	\$ 569	\$ 63	\$ 632
ALA Counselor	1,078	29	1,515	2,622	291	2,913
Annual conference	48,405	-	-	48,405	-	48,405
Board retreat	-	-	-	-	602	602
Donations	-	-	-	-	100	100
Dues	56	2	78	136	15	151
Emerging leader	370	10	520	900	100	1,000
Insurance	870	24	1,223	2,117	235	2,352
Legislative expenses	-	11,574	-	11,574	-	11,574
Miscellaneous	1,221	33	1,716	2,970	328	3,298
Picture book	-	-	-	-	365	365
Printing	201	5	283	489	54	543
Professional fees	19,157	518	26,923	46,598	5,178	51,776
Scholarships	-	-	-	-	2,000	2,000
Schmidt luncheon	-	-	-	-	1,580	1,580
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses . . . . .	\$ 71,592	\$ 12,201	\$ 32,587	\$ 116,380	\$ 10,911	\$ 127,291

**SEE ACCOMPANYING NOTES  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT**



**MISSOURI LIBRARY ASSOCIATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015 (REVIEWED) AND 2014 (AUDITED)**

	<u>2015</u> <u>(REVIEWED)</u>	<u>2014</u> <u>(AUDITED)</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (8,250)	\$ 11,616
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gains) losses on investments	312	(411)
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	288	1,654
(Increase) decrease in prepaid expenses	1,159	-
Increase (decrease) in deferred revenue	<u>(1,187)</u>	<u>(3,987)</u>
Total Adjustments . . . . .	<u>\$ 572</u>	<u>\$ (2,744)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES . . . . .	<u>\$ (7,678)</u>	<u>\$ 8,872</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Reinvestment of interest and dividends	<u>\$ (553)</u>	<u>\$ (532)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES . . . . .	<u>\$ (553)</u>	<u>\$ (532)</u>
CHANGE IN CASH . . . . .	\$ (8,231)	\$ 8,340
CASH, BEGINNING OF YEAR . . . . .	<u>\$ 147,398</u>	<u>\$ 139,058</u>
CASH, END OF YEAR . . . . .	<u><u>\$ 139,167</u></u>	<u><u>\$ 147,398</u></u>

**SEE ACCOMPANYING NOTES  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

**MISSOURI LIBRARY ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2015 (REVIEWED) AND 2014 (AUDITED)**

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**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, 2015 and 2014. 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, 2015 (REVIEWED) AND 2014 (AUDITED)**

**NOTE 2: CASH AND CASH EQUIVALENTS**

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

	2015 (REVIEWED)	2014 (AUDITED)
Checking – Operating	\$ 31,755	\$ 40,549
Money Market – Board	71,197	71,091
Money Market – Schmidt Fund	7,639	7,533
Money Market – Bohley Fund	28,576	28,225
Total Cash and cash equivalents	<u>\$ 139,167</u>	<u>\$ 147,398</u>

**NOTE 3: INVESTMENTS**

Investments are composed of the following at December 31:

	2015 (REVIEWED)	2014 (AUDITED)
Mutual fund	\$ 22,658	\$ 22,417
Total Investments	<u>\$ 22,658</u>	<u>\$ 22,417</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, 2015 (REVIEWED):

	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	\$ 22,658	\$ -	\$ -	\$ 22,658
Total Marketable Securities	<u>\$ 22,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,658</u>

As of December 31, 2014 (AUDITED):

Marketable Securities				
Mutual Funds	\$ 22,417	\$ -	\$ -	\$ 22,417
Total Marketable Securities	<u>\$ 22,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,417</u>

**MISSOURI LIBRARY ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2015 (REVIEWED) AND 2014 (AUDITED)**

**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:

	2015 (REVIEWED)	2014 (AUDITED)
Trading gains (losses) on marketable securities		
Unrealized gains (losses)	\$ (312)	\$ 411
Total trading gains (losses) on marketable securities	\$ (312)	\$ 411

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, 2015 and 2014.

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:

	2015 (REVIEWED)	2014 (AUDITED)
Interest income	\$ 141	\$ 142
Dividend income	553	532
Unrealized gain (loss) on investments	(312)	411
Total Investment return	\$ 382	\$ 1,085

**NOTE 5: TEMPORARILY RESTRICTED NET ASSETS**

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

	2015 (REVIEWED)	2014 (AUDITED)
Bohley Scholarship	\$ 28,576	\$ 28,225
Schmidt Scholarship	7,639	7,533
Total restrictions with payment restrictions	\$ 36,215	\$ 35,758

**NOTE 6: SUBSEQUENT EVENTS**

Management has evaluated subsequent events through April 29, 2016, the date on which the financial statements were available to be issued.