

**THE CENTER FOR CITIZEN LEADERSHIP D.B.A. THE  
MISSION CONTINUES**

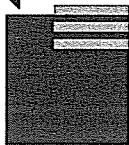
FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT

**DECEMBER 31, 2011**

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## Independent Auditors' Report

Board of Directors  
The Center for Citizen Leadership  
d.b.a. The Mission Continues  
St. Louis, Missouri

We have audited the accompanying statements of financial position of The Center for Citizen Leadership d.b.a. The Mission Continues (the "Organization") as of December 31, 2011 and 2010, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Center for Citizen Leadership d.b.a. The Mission Continues as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Brown Smith & Wallace LLC*

St. Louis, Missouri  
March 13, 2012

**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Statements of Financial Position**

December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 4,175,249	\$ 887,332
Promises to give - current	74,275	207,261
Other assets	71,170	11,200
<b>Total Current Assets</b>	<b>4,320,694</b>	1,105,793
<b>Property and Equipment, net</b>	<b>184,230</b>	45,508
<b>Promises to Give - long-term</b>	<b>-</b>	25,000
<b>TOTAL ASSETS</b>	<b>\$ 4,504,924</b>	<b>\$ 1,176,301</b>
<b>Current Liabilities</b>		
Accounts payable	\$ 11,092	\$ 4,612
Accrued expenses	24,079	29,571
<b>Total Current Liabilities</b>	<b>35,171</b>	34,183
<b>Net Assets</b>		
Unrestricted	4,395,478	740,857
Temporarily restricted	74,275	401,261
<b>Total Net Assets</b>	<b>4,469,753</b>	1,142,118
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,504,924</b>	<b>\$ 1,176,301</b>

The accompanying notes are an integral part of these financial statements.

THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES

Statement of Activities

Year Ended December 31, 2011

	Unrestricted	Temporarily Restricted	Total
<b>Revenues and Support</b>			
Public support	\$ 5,666,935	\$ -	\$ 5,666,935
Special event revenue, net of \$119,018 direct expenses	701,222	-	701,222
In-kind goods	623,097	-	623,097
In-kind services	954,066	-	954,066
Interest income	9,385	-	9,385
Other income	2,704	-	2,704
Net assets released from restrictions	326,986	(326,986)	-
<b>Total revenues and support</b>	<b>8,284,395</b>	<b>(326,986)</b>	<b>7,957,409</b>
<b>Expenses</b>			
Program services	4,020,117	-	4,020,117
Administrative	206,096	-	206,096
Fundraising	403,561	-	403,561
<b>Total expenses</b>	<b>4,629,774</b>	<b>-</b>	<b>4,629,774</b>
<b>CHANGE IN NET ASSETS</b>	<b>3,654,621</b>	<b>(326,986)</b>	<b>3,327,635</b>
<b>Net assets at beginning of year</b>	<b>740,857</b>	<b>401,261</b>	<b>1,142,118</b>
<b>Net assets at end of year</b>	<b>\$ 4,395,478</b>	<b>\$ 74,275</b>	<b>\$ 4,469,753</b>

The accompanying notes are an integral part of these financial statements.

THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES

Statement of Activities

Year Ended December 31, 2010

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Revenues and Support</b>			
Public support	\$ 969,143	\$ 370,761	\$ 1,339,904
Special event revenue, net of \$61,783 direct expenses	142,991	-	142,991
In-kind goods	104,909	-	104,909
In-kind services	5,066,906	-	5,066,906
Interest income	2,636	-	2,636
Other income	3,782	-	3,782
Net assets released from restrictions	374,758	(374,758)	-
<b>Total revenues and support</b>	<b>6,665,125</b>	<b>(3,997)</b>	<b>6,661,128</b>
Program services	5,976,919	-	5,976,919
Administrative	66,739	-	66,739
Fundraising	128,422	-	128,422
<b>Total expenses</b>	<b>6,172,080</b>	<b>-</b>	<b>6,172,080</b>
<b>CHANGE IN NET ASSETS</b>	<b>493,045</b>	<b>(3,997)</b>	<b>489,048</b>
<b>Net assets at beginning of year</b>	<b>247,812</b>	<b>405,258</b>	<b>653,070</b>
<b>Net assets at end of year</b>	<b>\$ 740,857</b>	<b>\$ 401,261</b>	<b>\$ 1,142,118</b>

The accompanying notes are an integral part of these financial statements.

**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Statement of Functional Expenses**

Year Ended December 31, 2011

	Program Services			Total Program Costs	Administrative	Fundraising	Total
	Fellowship Program	Service Projects	Thought Leadership				
Awareness and messaging	\$ 8,823	\$ 130,507	\$ 56,326	\$ 195,656	\$ 901	\$ 11,472	\$ 208,029
Banking/online processing	-	154	-	154	809	943	1,906
Computers and technology	19,007	8,602	34,297	61,906	3,588	7,253	72,747
Conferences and conventions	30,493	15,247	15,247	60,987	7,623	7,623	76,233
Contract labor	3,500	11,852	3,615	18,967	-	2,869	21,836
Contract services	49,890	30,938	81,474	162,302	69,246	58,804	290,352
Depreciation and amortization	14,130	7,065	7,065	28,260	3,533	3,533	35,326
Employee benefits	28,078	14,039	14,039	56,156	7,019	7,020	70,195
Events and campaigns	14,751	32,767	11,266	58,784	248	10,172	69,204
Fellowship awards	542,250	-	-	542,250	-	-	542,250
Insurance	-	-	-	-	7,263	-	7,263
Meals	990	2,805	1,034	4,829	1,034	679	6,542
Miscellaneous	25	-	-	25	365	5	395
Office/supplies	5,770	6,076	2,755	14,601	2,172	1,284	18,057
Payroll taxes	21,705	13,274	23,044	58,023	5,107	15,807	78,937
Postage, mailing service	4,177	24,194	1,299	29,670	710	6,043	36,423
Printing and copying	3,920	1,750	2,476	8,146	739	2,908	11,793
Professional development and performance recognition	2,424	12,207	2,516	17,147	653	4,767	22,567
Project grants and supplies	46	731,170	500	731,716	3,250	250	735,216
Public service announcements	-	-	934,814	934,814	-	-	934,814
Rent	13,323	6,661	6,662	26,646	3,331	7,022	36,999
Salaries	314,505	188,178	322,909	825,592	81,522	217,317	1,124,431
Taxes and licenses	2,863	1,432	1,432	5,727	3,740	3,903	13,370
Telephone and E-communications	5,042	5,597	4,285	14,924	1,240	2,354	18,518
Travel and meetings	19,438	91,239	50,852	161,529	1,464	30,952	193,945
Volunteer recognition	251	630	425	1,306	539	581	2,426
	<u>\$ 1,105,401</u>	<u>\$ 1,336,384</u>	<u>\$ 1,578,332</u>	<u>\$ 4,020,117</u>	<u>\$ 206,096</u>	<u>\$ 403,561</u>	<u>\$ 4,629,774</u>

The accompanying notes are an integral part of these financial statements.

**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Statement of Functional Expenses**

Year Ended December 31, 2010

	Program Services				Administrative	Fundraising	Total
	Fellowship Program	Service Projects	Thought Leadership	Total Program Costs			
Awareness and messaging	\$ 744	\$ 13,714	\$ 61,787	\$ 76,245	\$ 11	\$ 7,617	\$ 83,873
Banking/online processing	31	2	-	33	302	2,333	2,668
Computers and technology	984	75	667	1,726	11	1,329	3,066
Conferences and conventions	48,632	3,121	3,666	55,419	143	1,562	57,124
Contract labor	-	14,003	406	14,409	98	484	14,991
Contract services	961	2,632	19,303	22,896	11,853	282	35,031
Depreciation and amortization	809	225	11,064	12,098	150	150	12,398
Employee benefits	2,802	3,212	4,438	10,452	1,162	2,383	13,997
Events and campaigns	15,955	16,467	5,019	37,441	253	3,126	40,820
Fellowship awards	168,372	-	-	168,372	-	-	168,372
Insurance	1,027	308	608	1,943	1,121	525	3,589
Meals	492	714	430	1,636	67	1,059	2,762
Miscellaneous	-	-	-	-	-	-	-
Office/supplies	3,988	2,401	1,298	7,687	718	604	9,009
Payroll taxes	16,396	4,919	4,919	26,234	3,279	3,279	32,792
Postage, mailing service	3,809	1,497	622	5,928	227	7,555	13,710
Printing and copying	4,954	1,574	2,414	8,942	756	5,255	14,953
Professional development and performance recognition	1,965	963	1,091	4,019	432	920	5,371
Project grants and supplies	4,838	84,812	75	89,725	50	50	89,825
Public service announcements	-	-	5,066,906	5,066,906	-	-	5,066,906
Rent	12,486	3,746	3,746	19,978	2,497	2,497	24,972
Salaries	99,800	73,571	117,128	290,499	41,455	74,990	406,944
Taxes and licenses	-	-	-	-	426	-	426
Telephone and E-communications	3,814	1,115	1,790	6,719	720	755	8,194
Travel and meetings	8,981	22,899	12,196	44,076	983	10,892	55,951
Volunteer recognition	1,971	1,308	257	3,536	25	775	4,336
	<u>\$ 403,811</u>	<u>\$ 253,278</u>	<u>\$ 5,319,830</u>	<u>\$ 5,976,919</u>	<u>\$ 66,739</u>	<u>\$ 128,422</u>	<u>\$ 6,172,080</u>

The accompanying notes are an integral part of these financial statements.



**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Statements of Cash Flows**

Years Ended December 31, 2011 and 2010

	<b>2011</b>	<b>2010</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 3,327,635	\$ 489,048
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	35,326	12,398
Increase (decrease) in operating assets:		
Other assets	(59,970)	39,150
Promises to give	157,986	(67,261)
Increase (decrease) in operating liabilities:		
Accounts payable	6,480	4,612
Accrued expenses	(5,492)	23,924
<b>Net cash provided by operating activities</b>	<b>3,461,965</b>	<b>501,871</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(174,048)	(23,934)
<b>Net cash used in investing activities</b>	<b>(174,048)</b>	<b>(23,934)</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,287,917</b>	<b>477,937</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>887,332</b>	<b>409,395</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 4,175,249</b>	<b>\$ 887,332</b>

The accompanying notes are an integral part of these financial statements.

**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Notes to Financial Statements**

December 31, 2011

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**Note A - Nature of Activities**

The Center for Citizen Leadership d.b.a. The Mission Continues (the "Organization") is a 501(c)(3) not-for-profit organization established in 2007 that is headquartered in St. Louis, Missouri. The Mission Continues challenges veterans to serve and lead in communities across America. The Organization's mission is fueled by a deep belief that our veterans are assets. The Organization accomplishes its mission through three program areas:

Fellowship Program: awarding service fellowships to post-9/11 veterans

Service Projects: bringing together veterans and veteran supporters to serve in their communities

Thought Leadership: conducting research and broadcasting the message that our returning veterans are tremendous civic assets whose strengths and leadership can be used to improve communities here at home.

**Note B - Summary of Significant Accounting Policies**

**Basis of Accounting**

These financial statements have been prepared on the accrual basis and, accordingly, reflect all significant receivables, payables and other liabilities. Revenues and expenses are recognized in the period in which they are earned or incurred.

**Basis of Presentation**

Financial statement presentation follows the requirements of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Presentation of Financial Statements*, which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. As of December 31, 2011 and 2010, the Organization had no permanently restricted net assets.

**Use of Estimates in Financial Statement Preparation**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2011

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**Note B - Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization's cash is on deposit at two major domestic financial institutions. At times, bank deposits may be in excess of federally insured limits.

**Promises to Give**

Promises to give are stated at the amount management expects to collect from balances outstanding at year-end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. At December 31, 2011 and 2010, there was no allowance for uncollectible promises established as management considers all outstanding promises to give to be collectible.

**Property and Equipment**

Property and equipment are carried at cost or, if donated, are recorded based on the estimated fair values of the assets at the time of donation. Major renewals and betterments greater than \$500 are capitalized and maintenance and repairs which do not improve or extend the life of the respective assets are charged against earnings in the current period. Depreciation and amortization are calculated using a method that approximates straight-line over the estimated useful life of the asset.

**Restricted and Unrestricted Revenue and Support**

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the existence or nature of any donor restrictions. The Organization reports donations of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When the satisfaction of a 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.

THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2011

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**Note B - Summary of Significant Accounting Policies (Continued)**

**Restricted and Unrestricted Revenue and Support (Continued)**

The Organization reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Donor-restricted contributions received and used for the purpose or time-period intended during the same year are reported as increases in unrestricted net assets.

**Donated Services, Supplies and Facilities**

Donated materials, equipment and facilities are recorded as support at their estimated values. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose (see Note H).

The Organization records donated services in accordance with FASB ASC 958-605, *Revenue Recognition*. Therefore, donated services are recognized when the service either creates or enhances a non-financial asset or requires specialized skill that would be purchased if the service was not donated. Certain programs received services performed by employees of a company owned by the Organization's CEO; the value of this contributed time is not reflected in these financial statements because the criteria for recognition under FASB ASC 958-605 have not been met.

**Functional Allocation of Expenses**

Costs have been summarized on a functional basis in the statements of activities and statement of functional expenses. Accordingly, certain costs have been allocated between program expenses and support services.

**Income Tax Status**

The Organization constitutes a qualified not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and is, therefore, exempt from federal income taxes.

THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2011

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**Note B - Summary of Significant Accounting Policies (Continued)**

**Income Tax Status (Continued)**

In accordance with generally accepted accounting principles, the Organization uses a loss contingency approach for evaluating uncertain tax positions. Management continually evaluates expiring statute of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Organization has addressed the provisions of FASB ASC 740, *Accounting for Income Taxes*. In that regard, the Organization has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings and believes that no provision for income taxes is necessary, at this time, to cover any uncertain tax positions. The Organization's federal Form 990 for tax years 2008 and later remain subject to examination by taxing authorities.

**Subsequent Events**

The Organization has evaluated events and transactions subsequent to December 31, 2011 through March 13, 2012. No events require recognition in the financial statements or disclosures of the Organization per the definitions and requirements of FASB ASC Section 855-10, *Subsequent Events*.

**Note C - Promises to Give**

Promises to give are unconditional promises made by donors but not yet received by the Organization.

The balances of promises to give at December 31, 2011 and 2010 are:

	<u>2011</u>	<u>2010</u>
Due in less than one year	\$ 74,275	\$ 207,261
Due in one to five years	<u>-</u>	<u>25,000</u>
	<u>\$ 74,275</u>	<u>\$ 232,261</u>

Book value of promises to give approximates fair value at December 31, 2011 and 2010.

**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Notes to Financial Statements - Continued**

December 31, 2011

**Note D - Property and Equipment**

At December 31, 2011 and 2010, property and equipment consists of:

	<u>2011</u>	<u>2010</u>
Equipment	\$ 48,759	\$ 8,316
Information technology	112,775	-
Furniture and fixtures	27,132	17,890
Leasehold improvements	3,750	3,750
Website	<u>43,888</u>	<u>32,300</u>
Total	236,304	62,256
Less – accumulated depreciation and amortization	<u>(52,074)</u>	<u>(16,748)</u>
	<u>\$ 184,230</u>	<u>\$ 45,508</u>

**Note E - Temporarily Restricted Net Assets**

At December 31, 2011 and 2010, temporarily restricted net assets were restricted for the following:

	<u>2011</u>	<u>2010</u>
Program restrictions	\$ -	\$ 169,000
Timing restrictions	<u>74,275</u>	<u>232,261</u>
	<u>\$ 74,275</u>	<u>\$ 401,261</u>
Net assets released:		
Restricted programs	\$ 169,000	\$ 229,758
Restricted timing	<u>157,986</u>	<u>145,000</u>
	<u>\$ 326,986</u>	<u>\$ 374,758</u>

**Note F - Conditional Promises to Give**

As of December 31, 2011, the Organization has two conditional promises to give amounting to \$3,200,000 with payments scheduled through December 2015. All payments are contingent upon meeting specific goals and milestones as defined in the agreements. Since the aforementioned commitments represent conditional promises to give, they are not recorded as contribution revenue until donor conditions have substantially been met.

**THE CENTER FOR CITIZEN LEADERSHIP  
D.B.A. THE MISSION CONTINUES**

**Notes to Financial Statements - Continued**

December 31, 2011

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**Note G - Related Party Transactions**

The Greitens Group CEO is the CEO of the Organization as well. He donates time and assets of the Greitens Group as well as employee time for the benefit of the Organization. From time to time, the Greitens Group's employees volunteer at the Organization's activities. The Greitens Group's CEO encourages volunteer time and expertise by various Greitens Group employees, including nominal computer services. When the Organization hosts special events, the Greitens Group occasionally shares in the event and pays some of the costs to offset any additional expense the Organization might incur. Although Greitens Group employees may volunteer for the Organization, at no point is any Organization staff member or intern permitted to assist with any Greitens Group activities.

**Note H - In-Kind Donations**

During the years ended December 31, 2011 and 2010, the Organization received donated professional services and supplies valued at \$1,577,163 and \$5,171,815, respectively. Included in these amounts are the value of donated public service announcements, which were recorded using the market value of \$934,814 and \$5,066,906 for the years ended December 31, 2011 and 2010, respectively.

**Note I - Lease Commitments**

The Organization leases office space in St. Louis, Missouri under a noncancellable operating lease. During the year, the lease base rent went from \$2,690 to \$4,000 per month and provides for payment of additional rent for common area maintenance. The lease expires April 2012. The Organization also rents office space under a month-to-month cancellable rental agreement in New York. Total rent expense for the years ended December 31, 2011 and 2010 was \$36,999 and \$24,972, respectively.

**Note J - Concentrations of Direct Support**

In 2011, the Organization received approximately 56% of its total direct support from two donors.