



THE MISSION CONTINUES

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2017

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Independent Auditor's Report

Board of Directors
The Mission Continues
St. Louis, Missouri

We have audited the accompanying financial statements of The Mission Continues ("TMC"), 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 audits to obtain reasonable assurance about whether the financial statements are free of 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 auditor's 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 TMC'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 TMC'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 Mission Continues as of December 31, 2017 and 2016, 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.

Brown Smith Wallace, LLP

St. Louis, Missouri

August 2, 2018

THE MISSION CONTINUES

Statements of Financial Position

December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 7,708,430	\$ 10,324,131
Certificate of deposit	542,059	539,582
Investments	2,966,338	-
Promises to give	250,000	320,000
Other assets	328,743	284,796
Property and equipment, net	161,494	-
	<u>11,957,064</u>	<u>11,468,509</u>
 Note Receivable, net allowance of \$400,000 for 2017	 -	 -
	 <u>\$ 11,957,064</u>	 <u>\$ 11,468,509</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 270,191	\$ 189,330
Accrued expenses	202,299	213,206
	<u>472,490</u>	<u>402,536</u>
 Net Assets		
Unrestricted	7,398,407	7,852,938
Temporarily restricted	4,086,167	3,213,035
	<u>11,484,574</u>	<u>11,065,973</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 11,957,064</u>	 <u>\$ 11,468,509</u>

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

THE MISSION CONTINUES

Statement of Activities

Year Ended December 31, 2017

	Unrestricted	Temporarily Restricted	Total
Revenues and Support			
Public support	\$ 9,569,856	\$ 2,712,088	\$ 12,281,944
Special event revenue, net of \$61,793 direct expenses	299,347	-	299,347
Other in-kind goods and services	93,329	238,200	331,529
Other income	43,939	-	43,939
Net assets released from restrictions	2,077,156	(2,077,156)	-
Total revenues and support	12,083,627	873,132	12,956,759
Expenses			
Program services	10,715,473	-	10,715,473
Administrative	807,907	-	807,907
Fundraising	1,014,778	-	1,014,778
Total expenses	12,538,158	-	12,538,158
CHANGE IN NET ASSETS	(454,531)	873,132	418,601
Net assets at beginning of year	7,852,938	3,213,035	11,065,973
Net assets at end of year	\$ 7,398,407	\$ 4,086,167	\$ 11,484,574

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

THE MISSION CONTINUES

Statement of Activities

Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
Revenues and Support			
Public support	\$ 9,145,081	\$ 2,589,435	\$ 11,734,516
Special event revenue, net of \$64,502 direct expenses	256,024	-	256,024
Other in-kind goods and services	189,483	200,000	389,483
Other income	66,832	-	66,832
Net assets released from restrictions	1,966,304	(1,966,304)	-
Total revenues and support	11,623,724	823,131	12,446,855
Expenses			
Program services	9,708,042	-	9,708,042
Administrative	394,777	-	394,777
Fundraising	919,298	-	919,298
Total expenses	11,022,117	-	11,022,117
CHANGE IN NET ASSETS	601,607	823,131	1,424,738
Net assets at beginning of year	7,251,331	2,389,904	9,641,235
Net assets at end of year	\$ 7,852,938	\$ 3,213,035	\$ 11,065,973

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

THE MISSION CONTINUES

Statement of Functional Expenses

Year Ended December 31, 2017

	Program Services				Support Services		
	Fellowship Program	Service Platoons	Thought Leadership	Total Program	Administrative	Fundraising	Total
Awareness and messaging	\$ 72,274	\$ 164,242	\$ 28,424	\$ 264,940	\$ -	\$ 1,546	\$ 266,486
Bad debt expense	-	-	-	-	431,315	-	431,315
Banking/online processing fees	-	-	-	-	16,097	16,096	32,193
Computers and technology	95,461	202,826	39,774	338,061	37,192	38,248	413,501
Contract labor	-	-	-	-	-	-	-
Office/supplies	18,896	56,499	9,514	84,909	10,058	31,034	126,001
Contract services	96,855	151,028	239,023	486,906	58,027	59,998	604,931
Contributed legal services	-	-	-	-	-	-	-
Depreciation and amortization	2,784	3,916	937	7,637	259	658	8,554
Employee benefits	113,441	233,868	67,915	415,224	14,486	56,835	486,545
Events and travel	574,523	1,054,211	32,734	1,661,468	13,673	27,970	1,703,111
Fellowship awards	1,847,566	-	-	1,847,566	-	-	1,847,566
Insurance	11,954	22,157	4,782	38,893	15,980	4,782	59,655
Payroll taxes	69,216	177,233	62,271	308,720	12,676	52,679	374,075
Platoon leader awards	-	295,950	-	295,950	-	-	295,950
Postage, mailing	-	-	-	-	-	-	-
Printing and copying	-	-	-	-	-	-	-
Project grants and supplies	32,275	385,183	-	417,458	235	235	417,928
Relocation expenses	-	-	-	-	-	-	-
Rent	11,475	295,142	6,308	312,925	4,589	4,589	322,103
Salaries	937,034	2,323,135	809,392	4,069,561	178,864	704,717	4,953,142
Telephone and E-communications	8,410	17,868	3,504	29,782	3,276	3,370	36,428
Volunteer and staff recognition	32,204	91,104	12,165	135,473	11,180	12,021	158,674
	<u>\$ 3,924,368</u>	<u>\$ 5,474,362</u>	<u>\$ 1,316,743</u>	<u>\$ 10,715,473</u>	<u>\$ 807,907</u>	<u>\$ 1,014,778</u>	<u>\$ 12,538,158</u>

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

THE MISSION CONTINUES

Statement of Functional Expenses

Year Ended December 31, 2016

	Program Services				Support Services		
	Fellowship Program	Service Platoons	Thought Leadership	Total Program	Administrative	Fundraising	Total
Awareness and messaging	\$ 51,065	\$ 176,980	\$ 52,016	\$ 280,061	\$ -	\$ 3,516	\$ 283,577
Banking/online processing fees	-	-	-	-	10,171	10,484	20,655
Computers and technology	87,528	152,553	57,684	297,765	34,987	34,995	367,747
Contract labor	-	-	-	-	-	-	-
Office/supplies	3,486	69,144	955	73,585	580	2,974	77,139
Contract services	77,789	171,709	238,161	487,659	41,957	33,818	563,434
Contributed legal services	9,239	14,782	5,543	29,564	3,696	3,696	36,956
Depreciation and amortization	10,371	16,592	6,222	33,185	4,148	4,148	41,481
Employee benefits	106,560	150,845	48,934	306,339	20,985	53,946	381,270
Events and travel	649,591	747,029	32,837	1,429,457	8,694	34,340	1,472,491
Fellowship awards	1,870,503	-	-	1,870,503	-	-	1,870,503
Insurance	10,011	16,517	6,006	32,534	12,587	4,004	49,125
Payroll taxes	74,271	141,106	46,343	261,720	18,062	50,530	330,312
Platoon leader awards	-	254,400	-	254,400	-	-	254,400
Postage, mailing	3,683	7,159	4,676	15,518	1,246	10,351	27,115
Printing and copying	10,431	18,323	4,435	33,189	825	13,481	47,495
Project grants and supplies	30,489	534,548	-	565,037	1,697	1,697	568,431
Relocation expenses	-	1,235	-	1,235	-	-	1,235
Rent	15,461	286,450	10,621	312,532	6,187	6,187	324,906
Salaries	930,002	1,798,802	589,635	3,318,439	222,924	643,101	4,184,464
Telephone and E-communications	4,056	21,525	2,012	27,593	908	2,058	30,559
Volunteer and staff recognition	16,221	52,901	8,605	77,727	5,123	5,972	88,822
	<u>\$ 3,960,757</u>	<u>\$ 4,632,600</u>	<u>\$ 1,114,685</u>	<u>\$ 9,708,042</u>	<u>\$ 394,777</u>	<u>\$ 919,298</u>	<u>\$ 11,022,117</u>

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

THE MISSION CONTINUES

Statements of Cash Flows

Years Ended December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Change in net assets	\$ 418,601	\$ 1,424,738
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
In-kind donations, net	(35,400)	14,000
Unrealized loss on investments	37,262	-
Depreciation and amortization	8,554	41,481
(Increase) decrease in operating assets:		
Other assets	(8,547)	26,194
Promises to give	70,000	100,000
Increase (decrease) in operating liabilities:		
Accounts payable	80,861	(92,686)
Accrued expenses	(10,907)	44,160
Net cash provided by operating activities	560,424	1,557,887
Cash flows from investing activities:		
Purchase of certificate of deposit	(2,477)	(484)
Purchase of investments	(5,853,548)	-
Sale of investments	2,849,948	-
Purchases of property and equipment	(170,048)	-
Net cash used in investing activities	(3,176,125)	(484)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,615,701)	1,557,403
Cash and cash equivalents, beginning of year	10,324,131	8,766,728
Cash and cash equivalents, end of year	\$ 7,708,430	\$ 10,324,131

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

THE MISSION CONTINUES

Notes to Financial Statements

December 31, 2017

Note A - Nature of Activities

The Mission Continues ("TMC") is a 501(c)(3) not-for-profit organization, established in 2007, headquartered in St. Louis, Missouri with offices in New York, New York, Houston, Texas, Los Angeles, California, and Washington, D.C. The Mission Continues helps United States military veterans facing the challenges of reintegrating into civilian life. TMC believes today's veterans have built tremendous skills during their military service and community service provides a pathway for these veterans to rebuild a sense of purpose, restore social connections, and create new opportunities for professional networks. TMC accomplishes these goals through the following areas:

The Fellowship Program offers post-9/11 veterans an intensive, six-month service experience. Through the fellowship program, TMC directly supports veterans as they tackle individual reintegration challenges while also addressing an important issue at a non-profit in their community.

The Service Platoon Program offers veterans of all generations to serve their community as a member of a volunteer team, working on service projects and targeted community needs.

Thought Leadership measures the impact and efficacy of TMC's programs, ensuring their work is producing positive outcomes for veterans' reintegration and demonstrating that engaging in continued service to others is a viable restoration tool for veterans.

Mass Deployment mobilizes veterans from across the country alongside local partners and volunteers in a single city over the course of a week-long project. We select cities with a need for revitalization and the potential for sustainable growth, ensuring our efforts and resources have a visible impact within the communities we serve. Our purpose: To seed future operations, leaders and motivate more veterans to embrace new roles of service in their community — while inspiring others to serve.

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.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note B - Summary of Significant Accounting Policies (Continued)

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 TMC 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, 2017 and 2016, TMC had no permanently restricted net assets.

Use of Estimates in Financial Statement Preparation

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Cash and Cash Equivalents

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

Certificates of Deposit

Certificates of deposit (“CDs”) are recorded at cost, which approximates fair value at December 31, 2017 and 2016. The CDs were purchased from PNC on December 20, 2012 and September 23, 2015 and mature on January 1, 2018 and September 23, 2018, respectively. The CDs earn interest at an annual percentage yield of 0.9% and 0.2%, respectively.

Investments

Investments are stated at fair value using quoted market prices. Investment income is recognized when earned. Unrealized gains and losses are included in the changes in net assets in the accompanying Statements of Activities.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note B - Summary of Significant Accounting Policies (Continued)

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, 2017 and 2016, 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 \$2,000 are capitalized and maintenance and repairs which do not improve or extend the life of the respective assets are expensed 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. TMC 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. 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.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note B - Summary of Significant Accounting Policies (Continued)

Donated Services, Supplies, and Facilities

Donated services, supplies, 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 G).

TMC 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.

Functional Allocation of Expenses

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

Income Tax Status

TMC 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.

In accordance with accounting principles generally accepted in the United States of America, TMC 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.

TMC has addressed the provisions of FASB ASC 740, *Accounting for Income Taxes*. In that regard, TMC 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.

Subsequent Events

TMC has evaluated all subsequent events and transactions through August 2, 2018, the date which the financial statements were available to be issued. No events require recognition in the financial statements or disclosures of TMC per the definitions and requirements of FASB ASC Section 855-10, *Subsequent Events*.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note B - Summary of Significant Accounting Policies (Continued)

Reclassifications

Certain amounts on the 2016 financial statements have been reclassified, where appropriate, to conform to the presentation used in 2017 financial statements. Total change in net assets is unchanged due to these reclassifications.

Note C - Investments and Fair Value Measurements

TMC adopted FASB ASC 820-10 *Fair Value Measurements and Disclosures*. FASB ASC 820-10 establishes a framework for measuring fair value and expands disclosures about fair value measurements.

FASB ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820-10 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities that are readily available to TMC.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Corporate bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note C - Investments and Fair Value Measurements (Continued)

Management determines the fair value measurement valuation policies and procedures, subject to Board of Directors assessment and approval, including those for Level 3 recurring and nonrecurring measurements. At least annually, management: (1) determines if the current valuation techniques used in fair value measurements are still appropriate and (2) evaluates and adjusts the unobservable inputs used in the fair value measurements based on current market conditions and third-party information.

TMC recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

In July of 2017, TMC approved and allocated \$3,000,000 for investment in a conservative bond portfolio to preserve capital and support future operations. The portfolio is actively managed by UMB and targets a 94% bond, 6% cash ratio, and the cost basis of \$2,812,105. The cash balances are reflected as cash in these presented statements.

Fair value of assets measured on a recurring basis at December 31, 2017, are as follows:

<u>December 31, 2017</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Corporate Bonds	\$ <u>2,774,844</u>	\$ <u>-</u>	\$ <u>2,774,844</u>	\$ <u>-</u>
Investments required to be shown in fair value hierarchy				\$ <u>2,774,844</u>
Cash equivalents				<u>191,494</u>
				\$ <u>2,966,338</u>

Investment income/loss activity consists of the following:

	<u>2017</u>	<u>2016</u>
Unrealized loss on investments	\$ (37,262)	\$ -
Interest and dividends	7,046	-
Investment fees	<u>(3,446)</u>	<u>-</u>
	\$ <u>(33,662)</u>	\$ <u>-</u>

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note D - Promises to Give

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

The balances of promises to give at December 31, 2017 and 2016, are \$250,000 and \$320,000, respectively. As of December 31, 2017 and 2016, all balances are expected to be collected within one year, and therefore, the book value of promises to give approximates fair value at December 31, 2017 and 2016.

	<u>2017</u>	<u>2016</u>
Due in 1 year	\$ 250,000	\$ 320,000
Due in 1 – 5 years	-	-
Total	\$ <u>250,000</u>	\$ <u>320,000</u>

Note E - Property and Equipment

Property and equipment consists of:

	<u>2017</u>	<u>2016</u>
Equipment	\$ 91,805	\$ 91,805
Information technology	160,376	160,376
Furniture and fixtures	36,963	36,963
Leasehold improvements	97,953	3,750
Vehicles	75,845	-
Website	<u>32,300</u>	<u>32,300</u>
Total	495,242	325,194
Less – accumulated depreciation and amortization	<u>(333,748)</u>	<u>(325,194)</u>
	\$ <u>161,494</u>	\$ <u>-</u>

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note F - Operating Line-of-Credit

TMC has a line of credit with PNC Bank with a borrowing base of \$2,500,000, maturing July 1, 2016. During the year ended December 31, 2016, the agreement was amended to decrease the available borrowing to \$1,500,000, maturing on July 1, 2017. The line of credit was extended and currently has a maturity date of August 30, 2018. Interest is due monthly at the prime rate; as of December 31, 2017 and 2016, the prime rate was 3.50% and 3.75%, respectively. The line-of-credit is collateralized by all business assets and the certificate of deposit (“CD”) for \$500,000. There were no draws taken on the line-of-credit during the years ended December 31, 2017 and 2016.

Note G - Temporarily Restricted Net Assets

At December 31, 2017 and 2016, temporarily restricted net assets were restricted for the following:

	<u>2017</u>	<u>2016</u>
Program restrictions	\$2,728,427	\$1,255,100
Timing restrictions	<u>1,357,740</u>	<u>1,957,935</u>
	<u>\$4,086,167</u>	<u>\$3,213,035</u>
Net assets released:		
Restricted programs	\$1,142,156	\$1,199,919
Restricted timing	<u>935,000</u>	<u>766,385</u>
	<u>\$2,077,156</u>	<u>\$1,966,304</u>

Note H - Conditional Promises to Give

As of December 31, 2017 and 2016, TMC had conditional promises to give amounting to \$2,133,333 and \$6,000,000, respectively, with payments scheduled through December 2019. All payments are contingent upon meeting specific goals and milestones as defined in the agreements. During 2017, the Organization met the conditions defined in the agreements and received payments totaling \$3,866,666. Since the aforementioned commitments represent conditional promises to give, they are not recorded as contribution revenue until donor conditions have substantially been met.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note I - In-Kind Donations

During the years ended December 31, 2017 and 2016, TMC received donated professional services and supplies valued at \$331,529 and \$389,483, respectively.

Note J - Lease Commitments

At December 31, 2017, TMC leases office space in St. Louis, Missouri under a month to month 90 day cancellable operating lease. Effective February 2017, TMC executed a 36 month lease in St. Louis expiring January 2020 for \$4,750 per month. TMC leases offices space in other locations under varying terms and expirations as follows:

<u>Location</u>	<u>Term</u>	<u>Expiration</u>
Washington D.C.	36 months	October 2021
Los Angeles	36 months	January 2019
New York City	87 months	December 2022
St. Louis	36 months	January 2020

At December 31, 2017, future minimum rental commitments under these operating leases are as follows:

<u>Years Ending December 31,</u>	<u>Amounts</u>
2018	\$ 298,924
2019	276,790
2020	279,555
2021	208,599
2022	125,007

Total rent expense for the years ended December 31, 2017 and 2016 was \$322,103 and \$324,906, respectively.

Note K - Concentrations of Direct Support

For the years ended December 31, 2017 and 2016, TMC received approximately 22% and 38%, respectively, of its total direct support from one donor.

THE MISSION CONTINUES

Notes to Financial Statements - Continued

December 31, 2017

Note L - Note Receivable

On June 23, 2017 the Organization established a MOU with a partner non-profit organization as part of an agreement that would increase the awareness of the organization and conditionally return a grant of \$2.5M over the next 2 years. Additional to the MOU, TMC issued a promissory note for the amount of \$400,000 (maturing June 22, 2018). As of December 31, 2017, the promissory note and associated interest remained outstanding, and as such the organization fully reserved for the note and related interest receivable.

Note M - Legal Investigation

During and subsequent to the year ended December 31, 2017, the Organization was requested to provide organizational documents to certain agencies in conjunction with the ongoing investigations of the Organization's former executive director and former governor of the State of Missouri. Although these investigations are ongoing, there are no current requests for TMC to provide any additional information. As of the date of these financial statements, nothing has been brought to the attention of the Organization that would require additional disclosure or contingency reserve.