

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

FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT

**DECEMBER 31, 2010**

## TABLE OF CONTENTS

---

	<u>Page</u>
<b>Independent Auditors' Report</b> .....	1
 <b>Financial Statements</b>	
Statements of Financial Position .....	2
Statements of Activities .....	3
Statements of Functional Expenses .....	5
Statements of Cash Flows .....	7
Notes to Financial Statements .....	8



## 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, 2010 and 2009, 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, 2010 and 2009, 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, L.L.C.*

St. Louis, Missouri  
May 6, 2011

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

**Statements of Financial Position**

December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 887,332	\$ 409,395
Promises to give - current	207,261	95,000
Other assets	11,200	50,350
<b>Total Current Assets</b>	<b>1,105,793</b>	554,745
<b>Property and Equipment, net</b>	<b>45,508</b>	33,972
<b>Promises to Give - long-term</b>	<b>25,000</b>	70,000
<b>TOTAL ASSETS</b>	<b>\$ 1,176,301</b>	<b>\$ 658,717</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 4,612	\$ -
Accrued expenses	29,571	5,647
<b>Total Current Liabilities</b>	<b>34,183</b>	5,647
<b>Net Assets</b>		
Unrestricted	740,857	247,812
Temporarily restricted	401,261	405,258
<b>Total Net Assets</b>	<b>1,142,118</b>	653,070
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,176,301</b>	<b>\$ 658,717</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 gifts	104,909	-	104,909
In-kind public service announcements	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>
<b>Expenses</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 Activities**

Year Ended December 31, 2009

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Revenues and Support</b>			
Public support	\$ 466,618	\$ 405,258	\$ 871,876
Special event revenue, net of \$0 direct expenses	10,525	-	10,525
In-kind gifts	92,800	-	92,800
In-kind public service announcements	-	-	-
Interest income	670	-	670
Other income	3,575	-	3,575
Net assets released from restrictions	81,000	(81,000)	-
<b>Total revenues and support</b>	<b>655,188</b>	<b>324,258</b>	<b>979,446</b>
<b>Expenses</b>			
Program services	454,201	-	454,201
Administrative	19,709	-	19,709
Fundraising	64,944	-	64,944
<b>Total expenses</b>	<b>538,854</b>	<b>-</b>	<b>538,854</b>
<b>CHANGE IN NET ASSETS</b>	<b>116,334</b>	<b>324,258</b>	<b>440,592</b>
<b>Net assets at beginning of year</b>	<b>131,478</b>	<b>81,000</b>	<b>212,478</b>
<b>Net assets at end of year</b>	<b>\$ 247,812</b>	<b>\$ 405,258</b>	<b>\$ 653,070</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, 2010

	Program Services			Total Program	Administrative	Fundraising	Total
	Fellowship Program	Service Projects	Thought Leadership				
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
	<b>\$ 403,811</b>	<b>\$ 253,278</b>	<b>\$ 5,319,830</b>	<b>\$ 5,976,919</b>	<b>\$ 66,739</b>	<b>\$ 128,422</b>	<b>\$ 6,172,080</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, 2009

	Program Services			Total Program Costs	Administrative	Fundraising	Total
	Fellowship Program	Service Projects	Thought Leadership				
Awareness and Messaging	\$ 239	\$ 80	\$ 8,391	\$ 8,710	\$ 22	\$ 82	\$ 8,814
Banking/Online Processing	44	5	5	54	370	1,557	1,981
Computers and Technology	134	553	656	1,343	12	212	1,567
Conferences and Conventions	2,519	162	189	2,870	118	1,702	4,690
Contract Labor	67,217	16,939	25,939	110,095	4,678	32,186	146,959
Contract Services	-	-	-	-	1,915	-	1,915
Depreciation and Amortization	1,536	512	512	2,560	142	142	2,844
Employee Benefits	3,470	1,157	1,157	5,784	321	321	6,426
Events and Campaigns	4,116	35	9,154	13,305	10	5,325	18,640
Fellowship Awards	116,441	46	-	116,487	-	-	116,487
Insurance	-	-	-	-	2,998	-	2,998
Meals	540	316	221	1,077	26	721	1,824
Miscellaneous	545	27	287	859	3	33	895
Office/Supplies	5,720	3,026	2,283	11,029	554	1,060	12,643
Payroll Taxes	4,748	1,583	1,583	7,914	440	436	8,790
Postage, Mailing Service	3,083	1,476	4,422	8,981	170	3,168	12,319
Printing and Copying	7,942	1,985	3,881	13,808	395	1,321	15,524
Professional Development and Performance Recognition	1,034	458	375	1,867	113	1,135	3,115
Project Grants and Supplies	-	-	-	-	-	-	-
Public Service Announcements	-	-	-	-	-	-	-
Rent	7,035	2,295	2,295	11,625	638	638	12,901
Salaries	28,195	26,805	42,149	97,149	6,259	11,531	114,939
Taxes and Licenses	355	118	118	591	33	33	657
Telephone and E-communications	4,607	1,486	3,140	9,233	413	518	10,164
Travel and Meetings	23,906	1,273	2,211	27,390	79	2,823	30,292
Volunteer Recognition	1,286	118	66	1,470	-	-	1,470
	<u>\$ 284,712</u>	<u>\$ 60,455</u>	<u>\$ 109,034</u>	<u>\$ 454,201</u>	<u>\$ 19,709</u>	<u>\$ 64,944</u>	<u>\$ 538,854</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, 2010 and 2009

	<b>2010</b>	2009
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 489,048	\$ 440,592
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
In-kind donations	-	(20,000)
Depreciation and amortization	12,398	2,844
Decrease in operating assets:		
Other assets	39,150	(50,050)
Promises to give	(67,261)	(165,000)
Decrease in operating liabilities:		
Accounts payable	4,612	-
Accrued expenses	23,924	(607)
<b>Net cash provided by operating activities</b>	<b>501,871</b>	207,779
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(23,934)	(15,563)
<b>Net cash used in investing activities</b>	<b>(23,934)</b>	(15,563)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>477,937</b>	192,216
<b>Cash and cash equivalents, beginning of year</b>	<b>409,395</b>	217,179
<b>Cash and cash equivalents, end of year</b>	<b>\$ 887,332</b>	\$ 409,395

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, 2010

---

### **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 seeks to build an America where every returning veteran can serve again as a citizen leader, and where together we honor the fallen by living their values through service. The Mission Continues is built on the belief that even when our military men and women return home, their service to our nation can, and should, carry on. The Organization accomplishes its mission through three programs:

Fellowship Program - providing service fellowships to wounded and disabled veterans who have served in the military since September 11, 2001.

Service Projects - bringing together veterans of all eras and citizens of all backgrounds to serve in their communities.

Thought Leadership - conducting research and broadcasting the message that our returning veterans are tremendous 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) 958-205-05. Under FASB ASC 958-205-05, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and 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, 2010

---

**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 a major domestic financial institution. 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, 2010 and 2009, allowance for uncollectible promises to give was \$0 each year.

**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 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, 2010

---

**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 958-605-25. 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 958-605-25 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, 2010

---

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

**Income Tax Status (Continued)**

During 2009, the Organization adopted recently issued accounting rules for uncertain tax positions. Those rules require financial statement recognition of the impact of a tax position if a position is more likely than not of being sustained on audit, based on the technical merits of the position. These rules also provide guidance on measurement, recognition, classification, interest and penalties, transition, and disclosure requirements for uncertain tax positions. The adoption of the new rules had no impact on the current financial statements. The Organization's federal Form 990 for tax years 2007 and later remain subject to examination by taxing authorities.

**Subsequent Events**

The Organization has evaluated events and transactions subsequent to December 31, 2010 through May 6, 2011. No events require recognition in the financial statements or disclosures of the Organization per the definitions and requirements of FASB ASC Section 855-10.

**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, 2010 and 2009 are:

	<u>2010</u>	<u>2009</u>
Due in less than one year	\$ 207,261	\$ 95,000
Due in one to five years	<u>25,000</u>	<u>70,000</u>
	<u>\$ 232,261</u>	<u>\$ 165,000</u>

Book value of promises to give approximates fair value at December 31, 2010 and 2009.

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

Notes to Financial Statements - Continued

December 31, 2010

**Note D - Property and Equipment**

At December 31, 2010 and 2009 property and equipment consist of:

	<u>2010</u>	<u>2009</u>
Equipment	\$ 8,316	\$ 5,164
Furniture and fixtures	17,890	858
Leasehold improvements	3,750	-
Website	<u>32,300</u>	<u>32,300</u>
Total	<b>62,256</b>	38,322
Less – accumulated depreciation and amortization	<u>(16,748)</u>	<u>(4,350)</u>
	<b><u>\$ 45,508</u></b>	<b><u>\$ 33,972</u></b>

**Note E - Temporarily Restricted Net Assets**

At December 31, 2010 and 2009, temporarily restricted net assets were restricted for the following:

	<u>2010</u>	<u>2009</u>
Program restrictions	\$ 169,000	\$ 190,258
Timing restrictions	<u>232,261</u>	<u>215,000</u>
	<b><u>\$ 401,261</u></b>	<b><u>\$ 405,258</u></b>
Net assets released:		
Restricted programs	\$ 229,758	\$ 81,000
Restricted timing	<u>145,000</u>	<u>-</u>
	<b><u>\$ 374,758</u></b>	<b><u>\$ 81,000</u></b>

**Note F - Conditional Promise to Give**

During June 2009, the Organization received a restricted three year grant totaling \$300,000 running from June 15, 2009 through June 14, 2012, that contained donor conditions (primarily goals to be met during each grant period). The grant is to pay for the CEO's salary. Goals have been considered met by the Grantor for the first three payments of \$50,000 each as of December 2010. Since the remaining grant money represent conditional promises to give, they are not recorded as contribution revenue until donor conditions are met.

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

**Notes to Financial Statements - Continued**

December 31, 2010

---

**Note G - Related Parties**

A representative of the Organization's major contributor during 2010 is a member of the Board of Directors.

The Chairman and CEO of the Organization worked without salary and provided in-kind services for the first six-months of 2009. The in-kind services were valued at approximately \$50,000 and are included in Note H. Upon receipt of a grant from the Draper Richards Foundation, the Chairman and CEO of the Organization received approximately \$100,000 during 2009 for services performed as CEO for the period covering June 2009 through June 2010 and \$50,000 was received during 2010 for the period covering July through December 2010.

A Board member received \$0 and \$6,000 during 2010 and 2009, respectively, for services performed as the Executive Director.

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 year ended December 31, 2010, the Organization received professional services and supplies valued at \$42,559 and \$62,350, respectively.

During the year ended December 31, 2009, the Organization received professional services and supplies valued at \$75,000 and \$17,800, respectively.

Comcast produced and aired a Public Service Announcement for The Mission Continues in various markets across the country in November and December 2010. The Public Service Announcement's production and its subsequent airing were completed free of charge to The Mission Continues at a market value of \$5,066,906.

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

**Notes to Financial Statements - Continued**

December 31, 2010

---

**Note I - Lease Commitments**

The Organization leases office space in St. Louis, Missouri under a noncancellable operating lease. The lease base rent is \$2,165 per month and provides for payment of additional rent for common area maintenance. Rent expense for the years ended December 31, 2010 and 2009 was \$24,972 and \$12,900, respectively. The lease expires May 2011.

**Note J - Concentrations of Direct Support**

During 2010, the Organization received approximately 19% of its direct support from one donor. During 2009, the Organization received approximately 20% of its direct support from two donors of which \$75,000 was in promises to give at December 31, 2009.

**Note K - Subsequent Events**

The Organization received a conditional promise to give by New Profit and was brought into their portfolio in January 2011. New Profit's investment in The Mission Continues includes \$250,000 of support in 2011 along with in-kind consulting services. New Profit will continue to provide support for The Mission Continues in 2012 – 2014 as long as The Mission Continues meets the grant conditions.