



# **THE BEE FOUNDATION**

---

**Report on Reviewed Financial Statements**

**For the Year Ended  
December 31, 2016**

**ArcherTeti Associates, LLC**  
*Certified Public Accountants*

**Independent Accountants' Review Report**.....1

**Financial Statements**

Statement of Financial Position.....2

Statement of Activities .....3

Statement of Cash Flows.....4

**Notes to Financial Statements** .....5

**Supplementary Information**

Schedule of Functional Expenses.....9



# ARCHERTETI Associates, LLC

*Certified Public Accountants*

## **Independent Accountants' Review Report**

To the Board of Trustees of  
The Bee Foundation  
Philadelphia, Pennsylvania

We have reviewed the accompanying financial statements of The Bee Foundation (a nonprofit organization), which comprise the Statement of Financial Position as of December 31, 2016, and the related Statements of Activities, and Cash Flows for the year 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.

### **Supplementary Information**

The supplementary information on Page 9 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed the information and we do express an opinion, or conclusion, nor provide any assurance on it.

*ArcherTeti Associates, LLC*

January 8, 2018

## Statement of Financial Position

<i>December 31,</i>	<i>2016</i>
<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 167,186
Contributions Receivable	<u>1,000</u>
<b>Total Current Assets</b>	<u>168,186</u>
<b>Other Assets</b>	
Security Deposit	<u>3,150</u>
<b>Total Other Assets</b>	<u>3,150</u>
<b>Total Assets</b>	<u><u>\$ 171,336</u></u>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accrued Expenses	<u>\$ 1,800</u>
<b>Total Current Liabilities</b>	<u>1,800</u>
<b>Total Liabilities</b>	<u>1,800</u>
<b>Net Assets</b>	
Unrestricted	<u>169,536</u>
<b>Total Net Assets</b>	<u>169,536</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 171,336</u></u>

See accompanying notes  
and independent accountants'  
review report.

The Bee Foundation

Statement of Activities

---

<i>For the Year Ended December 31,</i>	<i>2016</i>
<b>Revenue and Support</b>	
Fundraising Events	\$ 151,929
Contributions	42,536
Merchandise Sales	<u>891</u>
<b>Total Revenue and Support</b>	<u>195,356</u>
<b>Expenses</b>	
Program Services	108,236
Supporting Services	
Management and General	9,325
Fundraising	<u>39,969</u>
<b>Total Expenses</b>	<u>157,530</u>
<b>Changes in Net Assets</b>	37,826
<b>Net Assets, Beginning of Year</b>	<u>131,710</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 169,536</u></u>

See accompanying notes  
and independent  
accountants' review report.

Statement of Cash Flows

<i>For the Year Ended December 31,</i>	<i>2016</i>
<hr/>	
<b>Cash Flows from Operating Activities</b>	
Changes in Net Assets	\$ 37,826
Decrease (Increase) in:	
Accounts Receivable	4,564
(Decrease) Increase in:	
Accounts Payable and Accrued Expenses	<u>(3,022)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>39,368</u>
<b>Net Increase in Cash</b>	39,368
<b>Cash, Beginning of Year</b>	<u>127,818</u>
<b>Cash, End of Year</b>	<u><u>\$ 167,186</u></u>

See accompanying notes  
and independent  
accountants' review report.

Supplementary Information

*For the Year Ended December 31, 2016*

**Note A****Organization and Basis of Presentation**

*The Bee Foundation* (the “Organization”) is a Pennsylvania not-for-profit organization formed to raise awareness of brain aneurysms and funding for innovative research that changes lives. The Bee Foundation was organized in the Commonwealth of Pennsylvania in 2014 and is operated exclusively for not-for-profit purposes.

Classes of Net Assets

The Organization prepares its financial statements in accordance with Accounting Standards Codification (ASC) No. 958, “Not-for-Profit Entities”. Under ASC No 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes herein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations. Annual corporate and individual contributions are generally available for unrestricted use in the related year unless specifically restricted by the donor. Unconditional promises to give are recorded as revenue when promised.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. Grants, contracts and other contributions of cash are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor stipulation 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. The Organization had no temporarily restricted net assets as of December 31, 2016.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization. Generally, the donors of these assets permit the organization to use all or part of the income earned on any related investment for general or specific purposes. The Organization had no permanently restricted net assets as of December 31, 2016.

**Note B**

**Summary and Significant Accounting Policies**

Cash and Cash Equivalents

The Bee Foundation considers all cash on hand and in banks to be cash equivalents.

Allocation of Functional expenses

The costs of providing the Organization’s programs and other supporting services have been summarized on a functional basis in the schedule of functional expenses. Accordingly, the expenses directly related to each function are combined with allocations of certain joint operating costs which have been allocated primarily based upon time spent and other estimates made by management.

Use of Estimates

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

Concentration of Credit Risk

Occasionally, during the year, cash balances may exceed the Standard Maximum Deposit Insurance Amount (SMDIA) of \$250,000, per depositor, at each separately chartered depository institution. The Bee Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Concentration of Revenue Sources

At December 31, 2016, total revenue from fundraising events was 77.8%. Total revenue from contributions was 21.8%.

Fair Value of Financial Instruments

Cash, accounts receivable and accrued expenses are reflected in the financial statements at carrying value which approximates fair value because of the short-term nature of these instruments.

These financial assets and liabilities have been classified as Level 1, 2 or 3 within the fair value hierarchy as described in the accounting standards for fair value measurements.

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

	<u>Level 1</u>
Cash	\$ 167,185.
Contributions Receivable and Accrued Expenses	\$ -0-

Income taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Management has reviewed tax positions taken in filings with federal and state jurisdictions and believes those positions should be sustained should the filings be examined by the relevant taxing authority. These tax filings are subject to examination, generally for three years after they are filed.

Should settlement of an examination or other event result in a change in management's evaluation of a tax position taken or expected to be taken in filings that have not been closed by statute or examination, any interest and penalties related to the unrecognized tax benefit as a result of the uncertain tax position would be included in interest expense and administrative expenses, respectively. The Bee Foundation is not a private foundation.

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Contributed In-Kind Services

In accordance with *Statement of Financial Accounting Standards* ASC No. 958-605 services will be recognized as contributions if the services create or enhance non-financial assets or require specialized skills performed by individuals possessing with those skills, and would need to be purchased if not provided by donation.

Contributions Receivable

Contributions and other receivables approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases that net asset class. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. There were no temporarily or permanently restricted contributions receivable at December 31, 2016.

All of the Organization's expenses, including expenses relating to assets previously included among the temporarily restricted net assets class of accounts, are decreases in unrestricted net assets.

**Note C**

**Supplemental Disclosures to the Statement of Cash Flows**

The following schedule provides additional information concerning cash paid for interest and income taxes for the years ended December 31,

	<u>2016</u>
Interest Paid	<u>\$ -0-</u>
Income Taxes Paid	<u>\$ -0-</u>

**Note D**

**Evaluation of Subsequent Events**

The Organization has evaluated subsequent events through January 8, 2018, the date which the financial statements were available to be issued. There are no subsequent events requiring modification to the amounts and disclosures reported in the financial statements for the period December 31, 2016 in conformity with the accounting principles generally accepted in the United States of America.

## Schedule of Functional Expenses

For the Year Ended December 31,

2016

	Program Services	Supporting Services		TOTAL
		Management and General	Fundraising	
Bank and Merchant Service Fees		\$ 1,376		\$ 1,376
Cost of Merchandise Sold	1,108		2,584	3,692
Insurance		970		970
Miscellaneous			150	150
Office Expense	1,488	3,221	460	5,169
Professional Fees		3,533		3,533
Public Relations	1,120		480	1,600
Research Grants	50,000			50,000
<b>Special Events</b>				
The Honey Bash	21,006		21,006	42,012
Golf Event	3,619		3,619	7,238
Love Run	634		634	1,268
Philadelphia Marathon	551		551	1,102
Technological Services	18,900	225	10,485	29,610
Travel	9,810			9,810
<b>Total Expenses</b>	<b>\$ 108,236</b>	<b>\$ 9,325</b>	<b>\$ 39,969</b>	<b>\$ 157,530</b>