



Financial Statements & Supplementary Information

Year Ending December 31, 2015

The Geek Group National Science Center

902 Leonard St NW - Grand Rapids MI 49504

# Statement of Financial Position

As of December 31, 2015

	2015	2014	\$ Change	% Change
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
Total Checking/Savings	\$24,310	\$35,813	(\$11,503)	(32.10%)
Inventory Assets	\$595	\$-	\$595	100.00%
Total Current Assets	\$24,905	\$35,813	(\$10,907)	(30.50%)
<b>Fixed Assets</b>				
902 Leonard Facility	\$1,068,857	\$790,200	\$278,657	35.26%
Furniture & Equipment	\$1,178,848	\$944,347	\$234,500	24.80%
Accumulated Depreciation	(\$381,344)	(\$226,480)	(\$154,864)	(68.40%)
Total Fixed Assets	\$1,409,760	\$1,343,067	\$66,692	5.00%
TOTAL ASSETS	\$1,434,665	\$1,378,881	\$55,784	4.10%
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Long Term Liabilities</b>				
Land Contract	\$658,926	\$671,870	(\$12,944)	(1.90%)
Other Liabilities	\$-	\$28,608	(\$28,608)	(100.00%)
Total Liabilities	\$658,926	\$700,479	(\$41,553)	(5.90%)
<b>Equity</b>				
Unrestricted Net Assets	\$678,401	\$417,141	\$261,259	62.60%
Net Income	\$97,337	\$261,259	(\$163,922)	(62.70%)
Total Equity	\$775,738	\$678,401	\$97,337	14.40%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$1,434,665.65</b>	<b>\$1,378,881.20</b>	<b>\$55,784.45</b>	<b>4.10%</b>

# Statement of Financial Position

As of December 31, 2015

	Unrestricted	Temporarily restricted	Permanently Restricted	Total
<b>Ordinary Income/ Expense</b>				
<b>Income</b>				
Grants and Contributions	\$71,687	\$56,088	-	\$127,775.76
Gifts in Kind	\$250,110	-	-	\$250,110
Individual Contributions	\$1,287,336	\$106,951	-	\$1,394,287
Advertising Income	\$1,951	-	-	\$1,951.04
Membership Fees	\$16,005	-	-	\$16,005.08
Total Income	\$1,790,131	\$162,039	-	\$1,790,131.66
<b>Expense</b>				
<b>Program Services</b>				
Hands-On STEM	\$449,632	\$32,407	-	\$482,039
Applied Intellect	\$425,755	\$42,454	-	\$468,209
Open Doors	\$224,283	\$22,993	-	\$247,275
Studio Curious	\$347,777	\$34,268	-	\$382,145
Retail Store	\$38,066	\$3,726	-	\$41,793
Total Program Services	\$1,485,512	\$135,950	-	\$1,621,462
<b>Supporting Services</b>				
Management and General	\$84,949	\$18,261	-	\$103,211
Development and Fundraising	\$36,407	\$7,826	-	\$44,233
Total Supporting Services	\$162,039	\$26,088	-	\$147,462
Total Expenses	\$1,606,868	\$162,039	-	\$1,768,907
Change in Net Assets	\$271,334	-	-	\$271,334
<b>Net Assets</b>				
Beginning of Year	\$1,365,788	-	-	\$1,365,788
End of Year	\$1,637,122	-	-	\$1,637,122

# Organization

The Geek Group National Science Center is a Michigan nonprofit 501 (c) 3 corporation organized in 1994 and incorporated in 2002. The Group operates a facility that serves young adults, families and entrepreneurs through programs and exhibits that engage and assist in educational opportunities. The Group's activities impact individuals throughout the United States, and around the globe, in varying capacities.

## Program Services

### Hands-On STEM - Supplemental Educational Systems

The Geek Group National Science Center provides on-site programming which supports learning opportunities and hands-on activities, primarily relating to STEM (science, technology, engineering and math), with individualised programming for all age groups, including K-12, collegiate, and interested adults. The Group's 43,000 square foot facility houses on-site manufacturing facilities to be used by the staff as well as students and members. It also houses on-site demonstration exhibits in a range of science and technology subjects. There is a special emphasis on physics, electricity, and technological advancements. Throughout the year, the Group works with local organizations to provide educational services at events, conferences, and community gatherings through partnerships with schools, museums, television stations and other organizations. Throughout the year the Group reaches students in a 13-state area, which includes Michigan, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri, Kentucky, Tennessee, Ohio, Pennsylvania, West Virginia and New York.

For students who cannot participate with the Group on a local level, educational content is produced that is released world-wide. Students in several dozen countries regularly use the educational materials, released online via The Geek Group National Science Center website as well as YouTube. This content is suitable for a wide variety of age groups and environments, including K-12 schools and watching at home as a family.

### Applied Intellect - Vocational Programming

The Geek Group National Science Center's programming extends into hands-on training and accessibility. For those over age 16, training is available in a wide range of areas, including manufacturing, machining, design, audio/visual production, and engineering. Students are frequently adults seeking retraining, or auxiliary training to advance in an existing career track. Vocational access is available on any scale, from single day activities to intensive, multi-month programming.

For persons interested but under the age of 16, there is the opportunity to obtain the skills and training with a parent or legal guardian participating in tandem.

Vocational access extends beyond direct training. Participants have the opportunity to utilize the manufacturing facilities to produce their own content, for their own motivations.

### Open Doors - Self Propelled Learning

The Geek Group National Science Center offers a supplement to homeschooling that provides access to classes that work with the students' desires, personalities and schedules. We encourage students to find their passion and through that, discover the joy of learning. We work primarily with students in grades 6-12 for Open Doors.

The Open Doors program currently has 5 full time students and we are hoping to add another 25 full time students by the end of 2016. Six classes are currently offered for the Open Doors Program: Economics of Culinary Arts, Writer's Workshop, Critical Thinking of Current Events, Art Studio, and Career Exploration. Some of the subjects we would like to add to the program by the end of 2016 are Mathematical Mindset, Robotics, Outdoor Adventures, and Audio Recording.

## **Studio Curious - Audio & Visual Educational Opportunities**

The Geek Group National Science Center offers Studio Curious this is our audio/visual studio that produces content for our organization, on their own and as part of other programs. Our focus is on educational, informative videos appropriate for all ages and backgrounds.

This program is used is a wide variety of age groups, from K-12 to adults. The videos that are produced out of Studio Curious can be used in and out of the classroom as supplemental learning materials. Adults can use them as an aid to learn about a new skill or hobby that may interest them. In 2015 we began construction on our recording studio. The addition of this studio will allow The Geek Group to open opportunities to aspiring artists and provide access to equipment that they may not normally have the ability to use.

## **Retail Services - Manufactured and Produced Locally**

Located in the front of the facility, the retail store offers educational products as well as products made within the facility.

# **Summary of Significant Accounting Policies**

## **Basis of accounting**

The financial statements of The Geek Group National Science Center have been prepared on the accrual basis of accounting.

## **Basis of presentation**

The Geek Group National Science Center reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted assets.

Unrestricted net assets: Under this category, The Geek Group National Science Center maintains an operating fund, any net assets designated by the Board for specific purposes and the unrestricted property and equipment fund.

Temporarily restricted net assets include those assets which are subject to donor restriction and for which the applicable restriction was not met as of the year end of the current reporting period.

Permanently restricted net assets include those assets which are subject to a non-expiring donor restriction, such as endowments.

## Use of estimates

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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

## Cash and Cash equivalents

The Geek Group National Science Center maintains cash in bank deposit accounts which, at this time, do not exceed federally insured limits. Management believes that it is not exposed to any significant risk on cash accounts.

## Inventory

Inventory consists of gift shop merchandise. The merchandise is stated at the lower of cost or market on a first-in/first-out basis. The reported inventory cost as of December 31, 2015 was \$25,000.

## Property and Equipment

Property and equipment are recorded at cost or estimated fair value for donated items. Depreciation is computed on the straight-line method based on the estimated useful lives of the assets, which range from 3 to 39 years. Depreciation is charged to the activity benefiting from the use of the property or equipment.

## Contributions

Contributions are recognized when the donor makes a pledge to give that is, in substance, an unconditional promise. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the nature of donor restrictions. Restricted contributions are reported as increases in restricted net assets. When the restriction is met the amount is shown as a reclassification of restricted net assets to unrestricted net assets.

## Donations-in-Kind

Donated equipment and other donated goods are recorded at their estimated fair market value as of the date of the donation. Contributed services, which require a specialized skill and which The Geek Group National Science Center would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered. When necessary, outside resources are utilized to determine the value.

## Allocation of functional expenses

Directly identifiable expenses are charged to program and supporting services. Expense related to more than one function are charged to program and supporting services on the basis of square footage of occupied space or number of employees per department.

## Income Taxes

The Geek Group National Science Center National Science Center is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to The Geek Group National Science Center's tax-exempt purpose is subject to taxation as unrelated business income.

## Property and Equipment

The cost and related accumulated depreciation of the property and equipment as of December 31, 2015 consisted of \$381,344.

## Temporarily Restricted Net Assets

The Group's temporarily restricted net assets as of December 31, 2015 consisted of \$162,040.

## Permanently Restricted Net Assets

As of December 31, 2015 there were no permanently restricted assets.

## Donations In-Kind

The estimated fair value of fixtures, furnishings, computer software and hardware, professional services and supplies received are recorded as donations. During the year ended December 31, 2015 the Group received \$250,110.

## Contingencies

Grants and contracts awarded to The Geek Group National Science Center are subject to the funding agencies' criteria, contract terms and regulations under which expenditures may be charged and are subject to audit under such terms, regulations and criteria. Management does not anticipate any material questioned costs for the contracts and grants administered during the period.

## Related Party Transactions

The Group's volunteer board members are active in both oversight of fundraising activities and in making private contributions. During the year ended December 31, 2015, in-kind donations received from the board members totalled \$12,000. During the same year, cash contributions received from board members totalled \$70,125.