

**DOWN SYNDROME ASSOCIATION
OF GREATER SAINT LOUIS**

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2010



DOWN SYNDROME ASSOCIATION OF GREATER SAINT LOUIS

CONTENTS

	<u>Pages</u>
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position	1
Statement of Activities	2
Statement of Cash Flows	3
Notes to Financial Statements	4-8
Supplemental Schedule of Functional Expenses	9



Fick, Eggemeyer & Williamson

Certified Public Accountants, PC



MEMBERS OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Down Syndrome Association of Greater Saint Louis

We have audited the accompanying statement of financial position of the Down Syndrome Association of Greater Saint Louis (a non-profit organization) as of June 30, 2010, and the related statements of activities, functional expenses and cash flows for the year 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 audit.

We conducted our audit 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 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 audit provides 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 Down Syndrome Association of Greater Saint Louis as of June 30, 2010 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We conducted our audit in accordance with generally accepted auditing standards for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Fick, Eggemeyer & Williamson
Fick, Eggemeyer & Williamson, CPA's
January 7, 2011

DOWN SYNDROME ASSOCIATION OF GREATER SAINT LOUIS
STATEMENT OF FINANCIAL POSITION

June 30, 2010

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 125,522
Pledges receivable	9,000
Prepaid expenses	406
Total current assets	<u>134,928</u>
PROPERTY AND EQUIPMENT	
Furniture	4,033
Equipment	8,936
Software	5,198
Less: accumulated depreciation and amortization	<u>(14,346)</u>
Total property and equipment	<u>3,821</u>
Total assets	<u><u>\$ 138,749</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	\$ 3,806
Accrued payroll	9,779
Accrued payroll taxes	5,344
Total current liabilities	<u>18,929</u>
Total liabilities	<u>18,929</u>
NET ASSETS	
Unrestricted	109,403
Temporarily restricted	10,417
Permanently restricted	-
Total net assets	<u>119,820</u>
Total liabilities and net assets	<u><u>\$ 138,749</u></u>

See accompanying notes and auditor's report

DOWN SYNDROME ASSOCIATION OF GREATER SAINT LOUIS
STATEMENT OF ACTIVITIES

For the year ended June 30,				2010
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue				
Fundraising income	\$ 279,818	\$ 20,834	\$ -	\$ 300,652
Grant income	-	9,816	-	9,816
Contributions	29,117	-	-	29,117
Conference	11,267	-	-	11,267
Memorials	13,038	-	-	13,038
Merchandise	7,826	-	-	7,826
Non-cash contributions	29,418	-	-	29,418
Program income	12,537	-	-	12,537
Interest income	884	-	-	884
Other income	2,687	-	-	2,687
Total support and revenue	386,592	30,650	-	417,242
Net assets released from restriction	48,290	(48,290)	-	-
Total	434,882	(17,640)	-	417,242
Program expenses	336,298	-	-	336,298
Total program expenses	336,298	-	-	336,298
Support expenses				
Administration	89,196	-	-	89,196
Fundraising	87,082	-	-	87,082
Total support expenses	176,278	-	-	176,278
Total expenses	512,576	-	-	512,576
Change in net assets	(77,694)	(17,640)	-	(95,334)
Net assets, beginning of year	187,097	28,057	-	215,154
Net assets, end of year	\$ 109,403	\$ 10,417	\$ -	\$ 119,820

See accompanying notes and auditor's report

DOWN SYNDROME ASSOCIATION OF GREATER SAINT LOUIS
STATEMENT OF CASH FLOWS

For the year ended June 30,	2010
CASH FLOWS FROM OPERATING ACTIVITIES	
Changes in net assets	\$ (95,334)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:	
Depreciation and amortization	2,459
Changes in assets and liabilities:	
(Increase) decrease in grants receivable	2,500
(Increase) decrease in pledges receivable	(4,000)
(Increase) decrease in prepaid expenses	271
Increase (decrease) in accounts payable	2,902
Increase (decrease) in accrued payroll	2,734
Increase (decrease) in accrued payroll taxes	<u>538</u>
Net cash provided by (used in) operating activities	<u>(87,930)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
None	<u>-</u>
Net cash provided by (used in) investing activities	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
None	<u>-</u>
Net cash provided by (used in) financing activities	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(87,930)
Cash and cash equivalents - beginning of year	<u>213,452</u>
Cash and cash equivalents - end of year	<u><u>\$ 125,522</u></u>

See accompanying notes and auditor's report

DOWN SYNDROME ASSOCIATION OF GREATER ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The mission of the Down Syndrome Association of Greater St. Louis (the Association) is to benefit the lives of people with Down Syndrome and their families through individual and family support, information, public awareness and advocacy.

The Association runs 22 programs under three core service areas. A program listing follows:

Family Support

- Expectant & New Parent Support
- Children's Hospital Down Syndrome Clinic Volunteers
- Helpline-hotline featuring the experience of over 70 professionals and parents
- Information packets for 17 area hospitals
- Social activities such as a Picnic and Holiday Bowling Party
- Thirteen Community/Support Groups
- Lose the Training Wheels Bike Clinic
- Healthy Lifestyles

Education

- Annual Family Conference Series, hosting nationally recognized and local presenters
- Annual Self-Advocate Conference
- Monthly Educational Resources Team Seminar Series for Parents and Professionals
- Lending Resource Library
- In-Service Training for Professionals
- Bi-weekly electronic newsletter
- Quarterly print newsletter
- Speakers Bureau
- Informational website
- Learning program
- Down Syndrome Specialist Program

Public Awareness and Advocacy

- Step Up for Down Syndrome
- Walk In The Park awareness event
- Advocacy training from Missouri Parents Act (Parent Training and Information Center)

DOWN SYNDROME ASSOCIATION OF GREATER ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Net assets, receipts, and disbursements are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets - Net assets that are subject to donor-imposed stipulations that may be satisfied either by actions of the Association or the passage of time. When a 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.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. The Association presently has no permanently restricted net assets.

Use of Estimates

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

Cash and Cash Equivalents

The Association considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

DOWN SYNDROME ASSOCIATION OF GREATER ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to Give

Contributions are recognized when certain donors make unconditional promises to give to the Association. Donor-restricted contributions are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. Promises to give are reported at the amount management expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and writes off, as of year-end, all balances that are determined to be uncollectible.

Furniture and Equipment

Furniture and equipment are stated at cost, if purchased, or at fair value, if donated, less accumulated depreciation computed using the straight-line method over periods ranging from five to ten years. Software is amortized using the straight-line method over a three year period.

Contributions and Support

Program service revenues are recorded as unrestricted support when earned. Contributions and unconditional promises to give are recorded as temporarily restricted, permanently restricted, or unrestricted support depending on the existence or nature of any donor restrictions. When restrictions expire, restricted net assets are reclassified to unrestricted net assets. The Association records restricted contributions whose restrictions are met in the same reporting period as unrestricted.

Tax Status

The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Association qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a).

NOTE 2 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Costs are allocated between fundraising, administration or the appropriate program based on evaluations of the related benefits. Administrative expenses include those expenses which were not directly identifiable with any other specific functions but provide for the overall support and direction of the Association.

DOWN SYNDROME ASSOCIATION OF GREATER ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 - PROPERTY AND EQUIPMENT

The Association maintained the following property and equipment as of June 30, 2010:

	<u>2010</u>
Furniture	\$ 4,033
Equipment	8,936
Software	<u>5,198</u>
	18,167
Less: accumulated depreciation and amortization	<u>(14,346)</u>
Total	<u><u>\$ 3,821</u></u>

Depreciation and amortization charged against income was \$2,459 for fiscal year 2010.

NOTE 4 - LEASES

In December 2006, the Association entered into a lease agreement with GFI Digital, Inc. for a Ricoh copier. The lease period is for 60 months with payments of \$60 per month.

In September 2008, the Association entered into a lease agreement with Toshiba American Business Solutions, Inc. for a copier. The lease period is for 60 months with payments of \$125 per month.

In September 2008, the Association entered into a lease agreement with Coast to Coast for a postage machine. The lease period is for 36 months with payments of \$43 per quarter.

On January 1, 2009, the Association renewed an office space lease agreement with University Terrace Associates. The lease period is for 60 months with payments of \$2,102 per month.

DOWN SYNDROME ASSOCIATION OF GREATER ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 - LEASES (continued)

Minimum future lease payments under the above leases are as follows:

<u>Year ended June 30,</u>	<u>Amount</u>
2011	\$ 27,616
2012	27,127
2013	25,599
2014	12,612
	<u>\$ 92,954</u>

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted assets as of June 30, 2010 consisted of the following:

Step Up for Down Syndrome	<u>\$ 10,417</u>
Total	<u>\$ 10,417</u>

NOTE 6 - NON-CASH CONTRIBUTIONS

The Association receives donations of professional services and products from various sources. During the fiscal year 2010, the Association received donated radio and television air-time, which has been recognized as revenue and expense in the financial statements at a fair market value of \$29,418.

A significant number of volunteer hours were contributed to the Association. However, those activities have not been recognized as revenue because the criteria for recognition of volunteer efforts under SFAS No. 116 has not been satisfied.

DOWN SYNDROME ASSOCIATION OF GREATER SAINT LOUIS
SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended June 30, 2010

	Program Expenses	General & Administration	Fundraising	Total
Salaries	\$ 126,354	\$ 56,225	\$ 12,714	\$ 195,293
Payroll taxes	11,271	5,015	1,135	17,421
Advertising	14,709	-	14,709	29,418
Advocacy	93,832	-	-	93,832
Fundraising	-	-	41,748	41,748
Bank fees	-	667	-	667
Credit card fees	803	541	7,649	8,993
Depreciation and amortization	1,591	708	160	2,459
Dues and subscriptions	1,288	191	43	1,522
Equipment rental	1,815	808	183	2,806
Insurance	-	4,211	-	4,211
Miscellaneous expense	2,630	1,030	83	3,743
Other program expense	8,495	-	25	8,520
Postage	9,462	2,866	1,638	13,966
Printing	11,276	2,034	5,097	18,407
Professional fees	23,550	5,395	79	29,024
Rent	16,320	7,262	1,642	25,224
Supplies	2,454	1,495	82	4,031
Telephone	2,547	418	95	3,060
Travel	5,783	-	-	5,783
Training	2,118	330	-	2,448
TOTAL	\$ 336,298	\$ 89,196	\$ 87,082	\$ 512,576

See accompanying notes and auditor's report