

THE AUTISM SOCIETY OF COLORADO
FINANCIAL STATEMENTS
DECEMBER 31, 2009

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Independent Auditor's Report

Board of Directors
The Autism Society of Colorado

We have audited the accompanying statements of financial position of The Autism Society of Colorado as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Autism Society of Colorado's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. 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 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 Autism Society of Colorado as of December 31, 2009 and 2008 and the changes in its net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

February 22, 2010

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THE AUTISM SOCIETY OF COLORADO
STATEMENTS OF FINANCIAL POSITION

December 31,	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	\$ 108,598	\$ 110,734
Grants receivable	26,856	0
Accounts receivable	0	50
Promises to give	10,057	1,124
Prepaid expenses	28,449	0
Total current assets	<u>173,960</u>	<u>111,908</u>
Property and equipment		
Computer equipment	16,614	16,614
Office furniture	673	673
	<u>17,287</u>	<u>17,287</u>
Less: accumulated depreciation	<u>(17,287)</u>	<u>(16,770)</u>
Net property and equipment	<u>0</u>	<u>517</u>
Security deposits	<u>738</u>	<u>738</u>
Total Assets	<u>\$ 174,698</u>	<u>\$ 113,163</u>
<u>Liabilities and Net Assets</u>		
Current liabilities		
Credit card payable	\$ 869	\$ 2,636
Accrued liabilities	19,038	1,522
Deferred revenue	19,300	0
Total current liabilities	<u>39,207</u>	<u>4,158</u>
Net assets		
Unrestricted	81,265	84,648
Temporarily restricted	54,226	24,357
Total net assets	<u>135,491</u>	<u>109,005</u>
Total Liabilities and Net Assets	<u>\$ 174,698</u>	<u>\$ 113,163</u>

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

THE AUTISM SOCIETY OF COLORADO
STATEMENTS OF ACTIVITIES

<u>For the Years Ended December 31,</u>	<u>2009</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Support, revenue, and other gains</u>			
Contributions	\$ 127,985	\$ 72,095	\$ 200,080
Government grant	0	75,534	75,534
Special events, net of \$89,783 and \$65,772 of expenses	166,641	0	166,641
Membership dues	1,656	0	1,656
Investment income	131	0	131
Miscellaneous income	7,000	0	7,000
Net assets released from restriction – satisfaction of donor restrictions	<u>117,760</u>	<u>(117,760)</u>	<u>0</u>
Total support, revenue, and other gains	<u>421,173</u>	<u>29,869</u>	<u>451,042</u>
<u>Expenses</u>			
Program	372,227		372,227
Unfulfilled promises to give	0		0
General and administrative	29,877		29,877
Fundraising	<u>22,452</u>		<u>22,452</u>
Total expenses	<u>424,556</u>		<u>424,556</u>
Changes in net assets	(3,383)	29,869	26,486
Net assets at beginning of year	<u>84,648</u>	<u>24,357</u>	<u>109,005</u>
Net assets at end of year	<u>\$ 81,265</u>	<u>\$ 54,226</u>	<u>\$ 135,491</u>

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

2008		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 83,694	\$ 40,110	\$ 123,804
0	0	0
196,846	0	196,846
1,451	0	1,451
512	0	512
3,282	0	3,282
<u>24,800</u>	<u>(24,800)</u>	<u>0</u>
<u>310,585</u>	<u>15,310</u>	<u>325,895</u>
282,924		282,924
160,145		160,145
23,930		23,930
<u>30,814</u>		<u>30,814</u>
<u>497,813</u>		<u>497,813</u>
(187,228)	15,310	(171,918)
<u>271,876</u>	<u>9,047</u>	<u>280,923</u>
<u>\$ 84,648</u>	<u>\$ 24,357</u>	<u>\$ 109,005</u>

THE AUTISM SOCIETY OF COLORADO
STATEMENTS OF CASH FLOWS

<u>For the Years Ended December 31,</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities		
Contributions and grants	\$ 231,626	\$ 309,172
Investment income received	131	512
Miscellaneous income	8,656	4,733
Special events income	275,724	262,618
Cash paid to suppliers and employees	<u>(518,273)</u>	<u>(590,393)</u>
Net cash used for operating activities	<u>(2,136)</u>	<u>(13,358)</u>
Net decrease in cash and cash equivalents	(2,136)	(13,358)
Cash and cash equivalents at beginning of year	<u>110,734</u>	<u>124,092</u>
Cash and cash equivalents at end of year	<u>\$ 108,598</u>	<u>\$ 110,734</u>
Reconciliation of changes in net assets to net cash used for operating activities:		
Changes in net assets	\$ 26,486	\$ (171,918)
Reconciling adjustments:		
Depreciation	517	1,910
(Increase) decrease in receivables	(35,739)	197,825
Decrease in allowance in doubtful accounts	0	(25,000)
Increase in prepaid expense	(28,449)	0
Increase (decrease) in accrued liabilities	17,516	(16,693)
Increase (decrease) in credit card payable	(1,767)	518
Increase in deferred revenue	<u>19,300</u>	<u>0</u>
Net cash used for operating activities	<u>\$ (2,136)</u>	<u>\$ (13,358)</u>

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

THE AUTISM SOCIETY OF COLORADO
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Autism Society of Colorado (the Organization) is a not-for-profit established in 1970 to provide information, support and advocacy for individuals with autism and related syndromes and their families through a variety of ongoing activities. Autism Society of Colorado is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a publicly supported organization which is not a private foundation under Section 509(a) of the Code.

Classes of Net Assets

The financial statements report amounts separately by class of net assets:

- a) Unrestricted amounts are those currently available at the discretion of the Board of Directors for use in Autism Society of Colorado programs, and those resources invested in property and equipment.
- b) Temporarily restricted amounts are those which are restricted by donors for specific operating purposes or for the acquisition of property and equipment.

The significant accounting policies are described below.

Support and Revenue Recognition

The Organization reports gifts (the major source of revenue) of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 reports gifts of property 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.

Program and Support Activities

Program activities describe the activities directly related to the purposes for which the Organization exists. Supporting activities describe those costs which do not relate directly to the Organization's exempt purpose, but are indispensable to the conduct of those activities and to the Organization's existence, including overall direction, business management, general record keeping, budgeting and related purposes.

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

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

THE AUTISM SOCIETY OF COLORADO
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist principally of cash and cash equivalents, and investment securities. The Organization places its cash and cash equivalents with creditworthy, high-quality financial institutions.

Deferred Revenue

Deferred revenue consists of monies received for special events prior to year end for events held subsequent to year end.

Property and Equipment

Property and equipment of \$1,500 or more are capitalized at cost, if purchased or if donated, at the fair market value of the asset at the time of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

In-Kind Contributions

Contributions of services shall be recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In kind contributions for the years ended December 31, 2009 and 2008 was \$8,249 and \$12,456.

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.

Other Matters

Advertising costs are expensed as incurred.

Subsequent Events

Effective June 15, 2009, the Organization adopted the provisions of FASB ASC 855 *Subsequent Events*. This statement requires management to evaluate, through the date the financial statements are issued or available to be issued, events or transactions that may require recognition or disclosure in the financial statements, and to disclose the date through which subsequent events were evaluated.

The Organization's financial statements were available to be issued on March 22, 2010, and this is the date through which subsequent events were evaluated. The Organization did not identify any subsequent events requiring disclosure.

NOTE 2 – PROMISES TO GIVE

Promises to give totaled \$10,057 and \$1,124 at December 31, 2009 and 2008. Promises to give are recorded at the net present value, determined using a discount rate commensurate with the IRS Applicable Federal Rate on the date of the promise, as receivables in the year made. Management believes all promises to give will be received in one year from the financial statement date. In addition, management believes all promises to give will be collected. As a result, no allowance for doubtful accounts has been recorded.

THE AUTISM SOCIETY OF COLORADO
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 – PROMISES TO GIVE (CONTINUED)

During 2008, the Organization has determined that due to the recent economic conditions throughout the United States, many of the donors that had previously made promises to give to the Organization are unable to fulfill these promises. Unfulfilled promises to give are reported in the statement of activities and are \$0 and \$260,616 for 2009 and 2008.

NOTE 3 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at December 31,

	<u>2009</u>	<u>2008</u>
TREAT	\$ 2,127	\$ 2,127
Autism Workshop	2,092	2,267
Give Me a Break	10,007	9,680
Respite Training	30,000	10,283
Competent Care	10,000	0
	<u>\$ 58,226</u>	<u>\$ 24,357</u>

NOTE 4 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows at December 31,

	<u>2009</u>	<u>2008</u>
Respite Training	\$ 10,283	\$ 19,718
Policy Grant	22,500	0
Give Me a Break	5,268	750
Community Events	4,000	0
Assist Fund	0	100
Autism Workshop	175	4,232
Statewide Strategic Use Funds	75,534	0
	<u>\$ 117,760</u>	<u>\$ 24,800</u>

NOTE 5 – OPERATING LEASE COMMITMENTS

The Organization leases office under a lease agreement which expires in May, 2010. The lease agreement calls for monthly rent payments of \$920. The Organization also has office space that is donated. Rent expense for the years ended December 31, 2009 and 2008 was \$17,569 and \$17,438, of which \$7,749 was an in-kind donation each year.

Future minimum lease payments are as follows:

2010	\$ 4,878
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THE AUTISM SOCIETY OF COLORADO
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 – CONCENTRATIONS

For the year ended December 31, 2009, 50% of contributions were received from three donors. In addition, one donor provided approximately 19% of special event income. For the year ended December 31, 2008, 28% of contributions were received from two donors. The Organization monitors its cash flow so that it does not rely on large donations to perform its exempt purpose.

NOTE 7 – CONTINGENCIES

The Organization recognizes as revenue grant monies received as reimbursement for costs incurred in certain State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the Organization. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.