

**HELPING HANDS: SIMIAN AIDES
FOR THE DISABLED, INC.**

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2010 and 2009**

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Helping Hands: Simian Aides for the Disabled, Inc.
Boston, Massachusetts

We have audited the accompanying statements of financial position of Helping Hands: Simian Aides for the Disabled, Inc. (a nonprofit organization), as of December 31, 2010 and 2009 and the related statements of activities 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 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 Helping Hands: Simian Aides for the Disabled, Inc. 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.

Our audit was made for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules of functional expenses on pages 13 and 14 are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kenney Dennen Lague P.C.

Kenney, Dennen, Lague, P.C.
Andover, Massachusetts
April 22, 2011

Helping Hands: Simian Aides for the Disabled, Inc.
Statements Of Financial Position
As of December 31, 2010 and 2009

ASSETS

	2010	2009
Assets		
Cash & Cash Equivalents	\$ 154,980	\$ 87,193
Investments - Unrestricted	75,813	51,178
Pledges Receivable	220,000	200,000
Prepaid Expenses	14,861	9,257
Property and Equipment, at Cost, Net of Accumulated Depreciation	2,751,204	2,879,865
Intangible Assets, Net	13,576	14,506
Investments - Endowment	566,422	466,422
Total Assets	\$ 3,796,856	\$ 3,708,421

LIABILITITES AND NET ASSETS

Liabilities		
Mortgage Payable	\$ 1,283,061	\$ 1,364,006
Line of Credit	99,956	112,056
Accounts Payable and Accrued Expenses	77,545	71,662
Total Liabilities	1,460,562	1,547,724
 Net Assets		
Unrestricted	1,769,872	1,694,275
Temporarily Restricted	0	0
Permanently Restricted	566,422	466,422
Total Net Assets	2,336,294	2,160,697
 Total Liabilities and Net Assets	\$ 3,796,856	\$ 3,708,421

See accompanying notes and auditors' report

Helping Hands: Simian Aides for the Disabled, Inc.
Statements Of Activities
For the Years Ended December 31, 2010 and 2009

	2010	2009
Changes in Unrestricted Net Assets		
Revenue, Gains and Other Support		
Contributions	\$ 596,034	\$ 637,347
Grant Income	507,500	508,500
Fundraising Benefit	71,506	199,275
Less: Direct Costs Benefiting Donors	(50,458)	(88,268)
Unrealized Gain (Loss) on Investments	27,709	31,567
Realized Gain (Loss) on Sale of Investments	4,571	118
Interest, Dividends and Other Investment Income	28,666	16,217
Total Unrestricted Revenue, Gains and Other Support	1,185,528	1,304,756
Expenses		
Program Services		
Placement/Foster Care Program	291,286	295,874
Education/Training Program	748,090	755,912
Total Program Services	1,039,377	1,051,786
Supporting Services		
Management and General	45,351	71,978
Fundraising	25,203	29,043
Total Supporting Services	70,554	101,021
Total Expenses	1,109,931	1,152,807
Increase (Decrease) in Unrestricted Net Assets	75,597	151,949
Changes in Temporarily Restricted Net Assets		
Increase (Decrease) in Temporarily Restricted Net Assets	0	0
Changes in Permanently Restricted Net Assets		
Increase (Decrease) in Permanently Restricted Net Assets	100,000	0
Increase (Decrease) in Net Assets	175,597	151,949
Net Assets, Beginning of Year	2,160,697	2,008,748
Net Assets, End of Year	\$ 2,336,294	\$ 2,160,697

See accompanying notes and auditors' report.

Helping Hands: Simian Aides for the Disabled, Inc.
Statements Of Cash Flows
For the Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operations		
Increase (Decrease) in Net Assets	\$ 175,597	\$ 151,949
<i>Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operating Activities:</i>		
Unrealized (Gain) Loss on Investments	(24,635)	(31,567)
(Gain) Loss on Sale of Investments	(4,571)	(118)
Donated Securities	(25,668)	(44,803)
Depreciation and Amortization	129,592	135,536
(Increase) Decrease in Assets:		
Pledges Receivable	(20,000)	(200,000)
Prepaid Expenses	(5,604)	(1,526)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	5,882	10,374
Net Cash Provided By Operating Activities	<u>230,593</u>	<u>19,845</u>
Cash Flows From Investing Activities		
Purchase of Investments	(288,080)	(191,719)
Sale of Investments	218,319	227,165
Net Cash Provided (Used) By Investing Activities	<u>(69,761)</u>	<u>35,446</u>
Cash Flows From Financing Activities		
Proceeds (Payments) From Line of Credit	(12,100)	3,282
Principal Paid on Mortgage	(80,945)	(68,392)
Net Cash (Used) By Financing Activities	<u>(93,045)</u>	<u>(65,110)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	67,787	(9,819)
Cash and Cash Equivalents, <i>Beginning of Year</i>	<u>87,193</u>	<u>97,012</u>
Cash and Cash Equivalents, <i>End of Year</i>	<u>\$ 154,980</u>	<u>\$ 87,193</u>
Supplemental Disclosure:		
Cash Paid During Year for Interest	<u>\$ 56,878</u>	<u>\$ 84,985</u>

See accompanying notes and auditors' report.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Summary of Significant Accounting Policies

This summary of significant accounting policies of Helping Hands: Simian Aides for the Disabled, Inc. (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Business Activity

The Organization provides services to individuals with severe mobility impairments; specifically, the Organization breeds, raises, and trains capuchin monkeys to provide daily assistance to people living with spinal cord injury or other mobility impairments. The Organization supports each monkey and his or her human partner during many years together through interactive mentoring of the placement, and close supervision of the monkey's behavioral, nutritional, and veterinary needs.

Method of Accounting

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers as "cash equivalents" all highly liquid debt instruments purchased with a maturity date of three months or less.

Investments

Investments in common stock, government and corporate bonds, and mutual and other publicly traded funds are stated at fair value based on quoted market values. Investments in cash management funds are stated at cost, which approximates fair value. Net realized and unrealized gains and losses and interest and dividend income on investments are reflected in the statement of activities.

Contributions

The Organization reports contributions received in accordance with Financial Accounting Standards Board Accounting Standards Codification Section 958-310 *Not-For-Profit Entities – Receivables* (formerly SFAS No. 116). Under section 958-310, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Accompanying notes are an integral part of these financial statements.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Summary of Significant Accounting Policies, (continued)

Contributions, (continued)

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a 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. As of December 31, 2010, the Organization had \$566,422 of permanently restricted net assets but no temporarily restricted net assets.

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases in liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Unconditional promises to give at December 31, 2010 and 2009 were \$220,000 and \$200,000, respectively. They are unrestricted and recorded as pledge receivable. Management expects the pledge receivable to be fully collectible; therefore, no allowance for uncollectible accounts is considered necessary at December 31, 2010.

Fair Value of Financial Instruments

The Organization is required to disclose estimated fair values for its financial instruments. The carrying amounts of financial instruments including cash, money market and investment accounts with broker dealers, accounts payable and long-term debt approximated fair value as of December 31, 2010 and 2009.

Property and Equipment

Property, plant and equipment with estimated useful lives greater than one year and cost of more than \$500 are capitalized and carried at cost if purchased or fair market value at date of gift if donated. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years.

Prepaid Expenses

Prepaid expenses at December 31, 2010 and 2009 consist of prepaid insurance of \$14,861 and \$9,257, respectively.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Summary of Significant Accounting Policies, (continued)

Financial Statement Presentation

The Organization presents its financial statements in accordance with Financial Accounting Standards Board Accounting Standards Codification Section 958-205 *Not-For-Profit Entities – Presentation of Financial Statements* (formerly SFAS No. 117). Under section 958-205, 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.

Functional Allocation of Expense

Expenses are charged directly to program, management and general, or fundraising based on a combination of specific identification and allocation by management.

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.

Tax Status

Helping Hands: Simian Aides for the Disabled, Inc. is a nonprofit organization exempt from federal income taxes under Section 501 (C)(3) of the Internal Revenue Code. Accordingly, no income tax expense was paid during or recorded in the financial statements for the years ended December 31, 2010 and 2009.

Donated Materials and Services

Donated materials and services meeting the criteria for recognition in the financial statements are reflected in the financial statements as non-cash contributions at their estimated value on the date of receipt. In addition to the amounts recorded as revenue and expenditures in the financial statements, volunteers have donated significant amounts of time assisting the Organization with fundraising, special projects, and provision of program services. These contributed services do not meet the criteria for recognition in the financial statements.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Summary of Significant Accounting Policies, (continued)

Concentration of Credit Risk

The Organization maintains its cash balances at various financial institutions located in Massachusetts. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. The Organization also maintains certain money funds at various brokerage firms that are insured by the Securities Investor Protection Corporation up to \$100,000 for a cash claim and \$500,000 in total for cash and securities. As of December 31, 2010, there were no uninsured balances.

Uncertain Tax Positions

Effective January 1, 2010, the Organization adopted Financial Accounting Standards Board Accounting Standards Codification Section 740-10, *Accounting for Uncertainty in Income Taxes*, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. For the year ended December 31, 2010, the Organization has no material uncertain tax positions to be accounted for in the financial statements under the new rules.

Investments

The following is a summary of investments at December 31, 2010 and 2009, respectively:

	2010	2009
Equities	\$ 54,230	\$ 0
Money funds	18,962	48,455
Mutual funds	98,636	0
Corporate bonds	470,407	469,145
	<u>642,235</u>	<u>517,600</u>
Less: Endowment Corpus (at cost):	(566,422)	(466,422)
Unrestricted:	<u>\$ 75,813</u>	<u>\$ 51,178</u>

Unrealized gains (losses) during the years ended December 31, 2010 and 2009 were \$27,709 and \$31,567, respectively. Interest and dividends on investments totaled \$28,666 and \$16,217 in December 31, 2010 and 2009, respectively.

Accompanying notes are an integral part of these financial statements.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Property and Equipment

Property and equipment consists of the following at December 31, 2010 and 2009:

	Life	2010	2009
Building	30 Yrs.	\$ 425,000	\$ 425,000
Building Improvements	30 Yrs.	3,345,094	3,345,094
Furnitures & Fixtures	5 Yrs.	12,500	12,500
Equipment	5 Yrs.	69,276	69,276
		<u>3,851,870</u>	<u>3,851,870</u>
Accumulated Depreciation		(1,100,666)	(972,005)
Net Assets		<u>\$ 2,751,204</u>	<u>\$ 2,879,865</u>

Depreciation expense for the years ended December 31, 2010 and 2009 was \$128,661 and \$134,939, respectively.

Intangible Assets

Financing costs are being amortized on a straight-line basis over the twenty year term of the debt obligations. The Organization's intangible assets consist of the following at December 31:

	2010	2009
Financing costs	<u>\$ 21,974</u>	<u>\$ 21,974</u>
Less: Accumulated amortization	<u>(8,398)</u>	<u>(7,468)</u>
Intangible Assets, net	<u>\$ 13,576</u>	<u>\$ 14,506</u>

Amortization expense for the years ended December 31, 2010 and 2009 was \$931 and \$597, respectively.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Accounts Payable and Accrued Expenses

At December 31, accounts payable and accrued expenses consist of the following:

	<u>2010</u>	<u>2009</u>
Accounts Payable	\$ 41,627	\$ 53,194
Accrued Other	0	12,500
Accrued Vacation	2,832	0
Accrued Payroll & Payroll Taxes	28,848	0
Accrued Interest Payable	4,238	5,968
Total	<u>\$ 77,545</u>	<u>\$ 71,662</u>

Mortgage Payable

	<u>2010</u>	<u>2009</u>
Peoples Federal Savings Bank, 3.625%, secured by the building with monthly, principal and interest payments of \$10,881, with final maturity in September 2023.	<u>\$ 1,283,061</u>	<u>\$ 1,364,006</u>

The Organization's principal commitment under the mortgage agreement is summarized below at December 31:

<u>Year</u>	<u>Principal</u>
2011	85,472
2012	88,622
2013	91,889
2014	98,787
2015	102,428
Thereafter	815,863

Line of Credit

The Organization has a \$150,000 line of credit, and the line is unsecured, interest and principal payments, carrying an interest rate of 4.25%. Outstanding balances on this line of credit were \$99,956 and \$112,056 at December 31, 2010 and 2009, respectively.

Accompanying notes are an integral part of these financial statements.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Related Party Transactions

A Corporation, wholly owned by an officer of the Organization, provides services including routine repairs and maintenance on the heating, ventilation, air conditioning and fire detection systems.

Programs

The Organization conducts the following four primary programs:

Placement

The Placement program is divided into two categories: New Placement and Active Placement. The New Placement program consists of evaluating a candidate and, upon candidate approval, choosing the right monkey for the particular home. Once the match is identified, the Organization's staff members conduct on-site training and placement over a period of six to ten days. The Organization is in communication daily during the first year of a new placement. The Active Placement program begins after the first year to monitor changes in the monkey and to provide additional training and behavioral reinforcement, if necessary.

Foster Program

The foster program provides foster homes to raise monkeys from birth through adolescence until monkeys are ready for training. They learn to interact in a home environment and develop their readiness for school. Through this program the Organization also coordinates supportive homes for monkeys who have entered their twilight years or who require closer medical supervision.

Education/Training

The training facility, located in Boston MA, is where each monkey progresses through a series of classrooms that vary in size and complexity as they learn increasingly complicated tasks. They are matched with a staff trainer who progresses the monkey through four levels of schooling. The training room gradually begins to resemble a home environment to help the monkey become familiar and adept at using home appliances and electronics.

Helping Hands: Simian Aides for the Disabled, Inc.
Notes to the Financial Statements
December 31, 2010 and 2009

Programs, (continued)

Spinal Cord Injury Prevention Program

This community service educational program is presented to children and young adults across the country at schools, camps and youth groups. It is designed to make students more aware of ways to prevent spinal cord injuries as well as the daily challenges that people with severe disabilities face. The program also aims to educate young people about the human-animal bond and the benefits of community service.

Grant Income

Grant income for the years ended December 31, 2010 and 2009 represents support received by the Organization from the following funding sources:

Grant Name	2010	2009
Bernice & Milton Stern Foundation	\$ 250,000	\$ 225,000
The Menrancas Foundation	60,000	50,000
Michell & Agnes Cestone Foundation	30,000	30,000
The Powell Foundation	25,000	25,000
Michael & Helen Schaffer Foundation	25,000	25,000
Liberty Mutual	20,000	20,000
Other	97,500	133,500
Total	\$ 507,500	\$ 508,500

Grants received are unrestricted and available for the various programs and administration of the Organization.

Evaluation of Subsequent Events

The Organization did not have any other subsequent events through April 22, 2011, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the fiscal year ended December 31, 2010.

SUPPLEMENTARY INFORMATION

Helping Hands: Simian Aides for the Disabled, Inc.
Schedule Of Functional Expenses
For the Year Ended December 31, 2009

	Program Services			Supporting Services			2009 Total Expenses
	Placement/ Foster Program	Education/ Training Program	Total	Management And General	Fund Raising	Total	
Salaries	\$ 163,078	\$ 346,196	\$ 509,274	\$ 22,967	\$ 7,334	\$ 30,301	\$ 539,575
Consultants	6,064	2,753	8,817	183	0	183	9,000
Payroll Taxes	14,490	30,757	45,247	2,041	656	2,697	47,944
Veterinary Services	2,416	16,842	19,258	0	0	0	19,258
Supplies and Materials	8,092	38,184	46,276	2,233	106	2,339	48,615
Telephone	5,661	2,855	8,516	1,019	0	1,019	9,535
Interest	24,419	52,936	77,355	7,630	0	7,630	84,985
Rent	3,896	0	3,896	0	0	0	3,896
Utilities	10,968	35,965	46,933	945	0	945	47,878
Equipment and Equipment Repairs	5,882	67	5,949	0	0	0	5,949
Repairs and Maintenance	1,078	21,126	22,204	3,885	0	3,885	26,089
Insurance	13,508	39,709	53,217	4,839	2,313	7,152	60,369
Professional Fees	0	0	0	13,063	0	13,063	13,063
Postage and Delivery	2,013	10,672	12,685	39	118	157	12,842
Travel	27,563	1,489	29,052	102	421	523	29,575
Printing and Reproduction	0	6,774	6,774	124	18,055	18,179	24,953
Bank Charges	0	0	0	704	0	704	704
Miscellaneous Expense	892	22,833	23,725	9,276	40	9,316	33,041
Total Expenses Before Depreciation	290,020	629,158	919,178	69,050	29,043	98,093	1,017,271
Depreciation and Amortization	5,854	126,754	132,608	2,928	0	2,928	135,536
Total Expenses, 2009	<u>\$ 295,874</u>	<u>\$ 755,912</u>	<u>\$ 1,051,786</u>	<u>\$ 71,978</u>	<u>\$ 29,043</u>	<u>\$ 101,021</u>	<u>\$ 1,152,807</u>

See accompanying notes and auditors' report.

Helping Hands: Simian Aides for the Disabled, Inc.
Schedule Of Functional Expenses
For the Year Ended December 31, 2010

	<u>Program Services</u>			<u>Supporting Services</u>			
	<u>Placement/ Foster Program</u>	<u>Education/ Training Program</u>	<u>Total</u>	<u>Management And General</u>	<u>Fund Raising</u>	<u>Total</u>	<u>2010 Total Expenses</u>
Salaries	\$ 176,545	\$ 345,857	\$ 522,402	\$ 23,732	19,929	\$43,661	\$ 566,063
Consultants	712	9,203	9,915	356	0	356	10,271
Payroll Taxes	14,334	34,074	48,408	1,812	1,836	3,648	52,056
Veterinary Services	2,633	14,773	17,406	0	0	0	17,406
Supplies and Materials	3,377	36,031	39,408	4,118	133	4,251	43,659
Telephone	5,139	2,450	7,589	2,929	0	2,929	10,518
Interest	17,695	36,350	54,045	1,103	0	1,103	55,148
Utilities	9,121	31,569	40,690	838	0	838	41,528
Equipment and Equipment Repairs	3,890	1,350	5,240	0	0	0	5,240
Repairs and Maintenance	944	27,098	28,042	812	0	812	28,854
Insurance	16,771	36,892	53,663	2,005	2,512	4,517	58,180
Postage and Delivery	3,008	12,050	15,058	268	263	531	15,589
Travel	31,079	3,324	34,403	231	79	310	34,713
Printing and Reproduction	340	33,703	34,043	314	451	765	34,808
Bank Charges	0	0	0	486	0	486	486
Miscellaneous Expense	100	2,172	2,272	3,548	0	3,548	5,820
Total Expenses Before Depreciation	285,688	626,896	912,584	42,552	25,203	67,755	980,339
Depreciation and Amortization	5,598	121,194	126,793	2,799	0	2,799	129,592
Total Expenses, 2010	<u>\$ 291,286</u>	<u>\$ 748,090</u>	<u>\$ 1,039,377</u>	<u>\$ 45,351</u>	<u>\$ 25,203</u>	<u>\$70,554</u>	<u>\$ 1,109,931</u>

See accompanying notes and auditors' report.