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ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Financial Statements

June 30, 2011

2011

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June 30, 2011

Independent Auditors' Report

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Kevin P. Martin & Associates, P.C.

2011
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2011/10/27

Independent Auditors' Report

To the Board of Directors of
Asperger's Association of New England, Inc.

We have audited the accompanying statement of financial position of Asperger's Association of New England, Inc. (a nonprofit organization) (the Agency), as of June 30, 2011 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Agency's 2010 financial statements and, in our report dated January 25, 2011, we expressed an unqualified opinion on those financial statements. The prior year comparative information is not intended to constitute a presentation in conformity with accounting principles generally accepted in the United States of America.

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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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 the Agency as of June 30, 2011, 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.

Kevin P. Martin & Associates, P.C.

Braintree, Massachusetts
October 27, 2011

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Statement of Financial Position

As of June 30, 2011

With Comparative Totals as of June 30, 2010

Current Assets	<u>2011</u>	<u>2010</u>
Cash and cash equivalents	\$ 233,998	\$ 216,561
Accounts receivable	44,499	27,066
Prepaid expenses	24,116	19,374
Investments	<u>-</u>	<u>4,118</u>
Total current assets	<u>302,613</u>	<u>267,119</u>
 Fixed Assets		
Furniture and equipment	<u>36,920</u>	<u>36,920</u>
Total fixed assets	36,920	36,920
Less: accumulated depreciation	<u>(31,162)</u>	<u>(24,502)</u>
Total net fixed assets	<u>5,758</u>	<u>12,418</u>
 Other Assets		
Deposits	<u>13,000</u>	<u>6,206</u>
Total other assets	<u>13,000</u>	<u>6,206</u>
 Total Assets	<u>\$ 321,371</u>	<u>\$ 285,743</u>
 Current Liabilities		
Accounts payable	\$ 12,044	\$ 1,524
Accrued expenses	68,350	76,218
Line of credit	50,000	25,000
Deferred revenue	<u>6,253</u>	<u>8,920</u>
Total current liabilities	<u>136,647</u>	<u>111,662</u>
Total liabilities	<u>136,647</u>	<u>111,662</u>
 Net Assets		
Unrestricted	144,970	126,528
Temporarily restricted	<u>39,754</u>	<u>47,553</u>
Total net assets	<u>184,724</u>	<u>174,081</u>
 Total Liabilities and Net Assets	<u>\$ 321,371</u>	<u>\$ 285,743</u>

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

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Statement of Cash Flows

For the Year Ended June 30, 2011
With Comparative Totals for the Year Ended June 30, 2010

Cash Flows from Operating Activities	<u>2011</u>	<u>2010</u>
Change in Net Assets	\$ 10,643	\$ (63,091)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	6,660	7,320
Unrealized loss on investments	-	1,038
Donated stock	(5,043)	(5,156)
Realized gain on investments	(1,089)	-
Decrease (increase) in assets		
Accounts receivable	(17,433)	5,961
Prepaid expenses	(4,742)	(9,746)
Deposits	(6,794)	-
Increase (decrease) in liabilities		
Accounts payable	10,520	(12,605)
Accrued expenses	(7,868)	27,618
Deferred revenue	(2,667)	7,260
Net Cash Used in Operating Activities	<u>(17,813)</u>	<u>(41,401)</u>
Cash Flows from Investing Activities		
Proceeds from sale of investments	<u>10,250</u>	<u>-</u>
Net Cash Provided by Investing Activities	<u>10,250</u>	<u>-</u>
Cash Flows from Financing Activities		
Advances on line of credit	<u>25,000</u>	<u>25,000</u>
Net Cash Provided by Financing Activities	<u>25,000</u>	<u>25,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	17,437	(16,401)
Cash and Cash Equivalents - Beginning	<u>216,561</u>	<u>232,962</u>
Cash and Cash Equivalents - Ending	<u>\$ 233,998</u>	<u>\$ 216,561</u>
Supplement Disclosure of Cash Flow Information		
Cash paid during the year for interest	<u>\$ 1,905</u>	<u>\$ 528</u>
Supplement Data for Noncash Investing and Financing Activities		
Donated stock	<u>\$ 5,043</u>	<u>\$ 5,156</u>

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

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ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2011

With Comparative Totals for the Year Ended June 30, 2010

	<u>Program Services</u>	<u>Administration</u>	<u>Fundraising</u>	<u>2011 Total</u>	<u>2010 Total</u>
Functional Expenses					
Salaries and benefits	\$ 496,367	\$ 120,529	\$ 55,341	\$ 672,237	\$ 629,600
Grant awards to individuals and families	132,136	-	-	132,136	105,377
Office expenses	70,950	37,146	18,952	127,048	85,724
Conference expenses	126,073	-	-	126,073	99,304
Occupancy	65,185	11,700	6,686	83,571	81,618
Workshop and seminars	45,437	-	-	45,437	40,614
Newsletters	13,116	2,355	1,345	16,816	8,885
Professional fees	-	15,396	-	15,396	39,718
Technology	9,845	1,767	1,010	12,622	1,626
Insurance	3,961	711	406	5,078	6,894
Equipment rental	3,802	682	390	4,874	3,412
Postage and delivery	3,326	597	341	4,264	8,528
Printing and reproduction	1,046	188	107	1,341	9,242
Total Functional Expenses	<u>\$ 971,244</u>	<u>\$ 191,071</u>	<u>\$ 84,578</u>	<u>\$ 1,246,893</u>	<u>\$ 1,120,542</u>

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

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Notes to Financial Statements

June 30, 2011

2011-06-30

(1) Summary of Significant Accounting Policies

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 (GAAP). The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

(a) Nature of Activities

Asperger's Association of New England, Inc. (the Agency) is committed to improving the quality of life for people with Asperger's Syndrome (AS) throughout New England. The Agency's mission is to foster awareness, respect, assistance, and support of individuals with AS and their families. The Agency serves adults, teenagers, families of children with AS, educators and other professionals. The majority of the Agency's services are provided to New England residents.

(b) Basis of Presentation

The statement of activities reports all changes in net assets, including changes in unrestricted net assets from operating activities. Operating revenues consist of those monies received and other contributions attributable to the Agency's ongoing efforts.

(c) Revenue Recognition

The Agency earns revenue as follows:

Special Events - Special events revenue is primarily derived from contributions collected and fees charged for admission at various sponsored events. Fundraising contributions and fees are recognized as income when received. The majority of special event revenue is derived from the Laugh Out Loud Gala. Revenue derived from this event for the year ended June 30, 2011 totaled approximately \$413,715.

Conference Fees, Workshops and Seminars - The Agency recognizes conference fees, workshops and seminars revenue when fees are collected for admission to various Agency sponsored conferences.

Contributions - Contributions are recorded upon receipt or pledge as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Grants - Grants are recorded as revenue as costs related to the services provided are incurred.

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Notes to Financial Statements

June 30, 2011

(1) Summary of Significant Accounting Policies - continued

(e) Standards of Accounting and Reporting

The Agency's net assets (excess of its assets over liabilities) and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The statement of financial position presents two classes of net assets (temporarily restricted and unrestricted) and the statement of activities displays the amounts of change in each of those classes of net assets.

The two classes of net assets applicable to the Agency are presented as follows:

Unrestricted Net Assets - Net assets that are not subject to donor imposed restrictions. Unrestricted net assets consist of assets and contributions available for the support of operations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Agency and/or 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. Restricted contributions and investment income whose restrictions are met in the same reporting period are recorded as temporarily restricted income and as net assets released from restrictions.

(f) Income Taxes

The Agency qualifies as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code and therefore is not subject to income tax. The Agency is not a private foundation under Section 509(a)(1). Certain unrelated business income, as defined in the Internal Revenue Code, is subject to federal income tax. For the year ended June 30, 2011, there was no liability for tax on unrelated business income.

The Agency has adopted the provisions of GAAP which prescribe 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 June 30, 2011, the Agency does not believe its financial statements include any uncertain tax positions. The Agency recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense.

All tax years prior to 2007 are closed via the passing of the Statute of Limitations. No notices have been received from either the Internal Revenue Service or Commonwealth of Massachusetts addressing any subsequent year.

NEW ENGLAND ASSOCIATION

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Notes to Financial Statements

June 30, 2011

(1) Summary of Significant Accounting Policies - continued

(n) Fair Value Measurements - continued

The Agency's policy is to recognize transfers into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels during the year ended June 30, 2011. During 2011, the Agency sold all of its Level 1 assets and these investments were transferred out of Level 1 assets on the date of sale.

The Agency's financial instruments include cash and cash equivalents, accounts receivables, deposits, line of credit, accounts payable, accrued expenses and deferred revenue. The carrying amount of these financial instruments approximates their fair value due to their short maturities.

The Agency is also required to apply the provisions of GAAP to fair value measurements for non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a non-recurring basis. The Agency has no non-financial assets or liabilities required to be accounted for on a non-recurring basis as of June 30, 2011.

(o) Fixed Assets and Depreciation

Furniture and equipment is recorded at cost or if donated, fair value on the date of receipt. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Improvements, including planned major maintenance activities are capitalized, while expenditures for routine maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities.

The Agency computes depreciation using the straight-line method over the following estimated lives:

Furniture and equipment 3-5 years

Depreciation amounted to \$6,660 for the year ended June 30, 2011.

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Notes to Financial Statements

June 30, 2011

(1) Summary of Significant Accounting Policies - continued

(p) Donated Items and Services

Many individuals volunteer their time and perform a variety of tasks that assist the Agency with specific educational programs, administrative, clerical, and maintenance functions as well as various committee assignments. The Agency would not have paid for these volunteered services if they had not been donated and therefore, they have not been reflected in the financial statements.

(q) Summarized Financial Information for 2010

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Also, the financial statements do not include a full presentation of the statement of activities and statements of functional expenses, as certain prior year summarized comparative information is presented in total but not by classification. In addition, the financial statements do not include full financial statement disclosures for the prior year. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended June 30, 2010, from which the summarized information was derived.

(2) Investments

As of June 30, 2011, investments amounted to zero.

Investment return consisted of the following for the year ended June 30, 2011:

Realized gain	\$ 1,089
Interest and dividends, net of fees	<u>70</u>
Total gain on investments	\$ <u>1,159</u>

Total gain on investments of \$1,159 is included with other income on the statement of activities.

ASPERGER'S ASSOCIATION OF NEW ENGLAND, INC.

Notes to Financial Statements

June 30, 2011

(6) Temporarily Restricted Net Assets

Temporarily restricted net assets consist of resources available to meet future obligations, but only in compliance with the restrictions specified by donors. Donor restrictions limit the use of the resources within the particular purposes listed below.

<u>Nature of Restriction</u>	<u>Amount</u>
Child coordinator	\$ 25,000
Plymouth Court	11,129
Other	<u>3,625</u>
Total	\$ <u>39,754</u>