

Midwest Council for Children with Disabilities

Financial Statements September 30, 2003 and 2004

**R. R. White & Associates
Certified Public Accountants
650 Red Maple Ln.
Roselle, IL 60172
630.632.9585**

Midwest Council for Children with Disabilities

Fiscal Years Ended, September 30, 2003 and 2004

Contents

Report of Independent Auditors.....	1
Financial Statements	
Balance Sheets.....	2
Statements of Fund Balances.....	3
Statements of Cash Flows.....	4
Notes to Financial Statements.....	5

R. R. White & Associates
Certified Public Accountants

To the Board of Directors
Midwest Council for Children with Disabilities

We have audited the accompanying balance sheets of Midwest Council for Children with Disabilities (an Illinois not-for-profit corporation) as of September 30, 2003 and 2004, and the related statements of fund balances and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 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 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 Midwest Council for Children with Disabilities at September 30, 2003 and 2004, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

January 27, 2005

R. R. White & Associates

**Midwest Council for Children with Disabilities
Balance Sheets
September 30, 2003 and 2004**

	<u>2003</u>	<u>2004</u>
Assets:		
Cash in Banks	\$ 136,599	\$ 228,560
Accounts Receivable	-	10,482
Prepaid Expenses	<u>187</u>	<u>-</u>
 Total Assets	 <u>\$ 136,786</u>	 <u>\$ 239,042</u>
 Liabilities and Fund Balances		
Liabilities:		
Accrued Expenses	\$ 1,100	\$ 550
Accounts Payable	<u>-</u>	<u>2,605</u>
 Total Liabilities	 1,100	 3,155
Fund Balance:		
General Fund	\$ 138,553	244,119
Operating Fund	<u>(2,867)</u>	<u>(8,232)</u>
Total Fund Balances	<u>135,686</u>	<u>235,887</u>
 Total Liabilities & Fund Balance	 <u>\$ 136,786</u>	 <u>\$ 239,042</u>

The accompanying notes are an Integral part of these financial statements

Midwest Council for Children with Disabilities
Statements of Fund Balances
September 30, 2003 and 2004

	2003 <u>General</u>	2004 <u>Fund</u>	2003 <u>Operating</u>	2004 <u>Fund</u>
Beginning Fund Balances	\$ 81,567	\$ 138,553	\$ (1,015)	\$ (2,867)
Interest Income			1,345	1,590
Contributions Received	<u>208,674</u>	<u>403,308</u>	<u>-</u>	<u>-</u>
Total Receipts	208,674	403,308	1,345	1,590
Contribution Made	99,914	203,782		
Cost-Golf Outing	51,774	93,960		
Advertising			-	66
Bank Service Charges			56	47
Licenses & Fees			20	20
Credit Card Fees			1,104	2,309
Office Expense			-	10
Insurance			1,467	3,953
Professional Fees	<u>-</u>	<u>-</u>	<u>550</u>	<u>550</u>
Total Disbursements	<u>151,688</u>	<u>297,742</u>	<u>3,197</u>	<u>6,955</u>
Excess, (Shortage) of Receipts Over Disbursement	<u>56,986</u>	<u>105,566</u>	<u>(1,852)</u>	<u>(5,365)</u>
Ending Fund Balances	<u>\$ 138,553</u>	<u>\$ 244,119</u>	<u>\$ (2,867)</u>	<u>\$ (8,232)</u>

The accompanying notes are an Integral part of these financial statements

Midwest Council for Children with Disabilities
Statements of Cash Flows
September 30, 2003 and 2004

	<u>2003</u>	<u>2004</u>
Cash flows from operating activities:		
Shortage of receipts over disbursements- Operating Fund	\$ (1,852)	\$ (5,365)
Excess of receipts over disbursements- General Fund	56,986	105,566
Increase in accounts receivable	-	(10,482)
(Increase), decrease, in prepaid expense	(187)	187
Increase in accounts payable	-	2,605
Increase, (decrease) in accrued expenses	<u>550</u>	<u>(550)</u>
Net increase in cash	55,497	91,961
Cash balance beginning of period	81,102	136,599
Cash balance end of period	<u>\$ 136,599</u>	<u>\$ 228,560</u>

The accompanying notes are an Integral part of these financial statements

Midwest Council for Children with Disabilities

Notes to Financial Statements

September 30, 2003 and 2004

Purpose and Summary of Significant Accounting Policies

The Midwest Council for Children with Disabilities was incorporated in Illinois on February 16, 2000. In its finalized ruling, the Internal Revenue Service has determined the council to be a not-for-profit organization, publicly supported, under sections 501 (a) and 501 (c) (3) of the Internal Revenue Code. In addition to the Illinois operations, the 2004 financial statements include the operations of the newly formed Midwest Council for Children with Disabilities, Ohio operations.

A Summary of Significant Accounting Policies is as follows:

Revenue is recorded when earned, and expenses are recorded as incurred by the council in accordance with generally accepted accounting principles.

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make assumptions that affect the amounts reported in these statements. Actual results could differ from those estimates.

Income Taxes

As mentioned above, the Internal Revenue Service's ruling is that the council is a not-for-profit organization and therefore not subject to income taxes under this ruling. Therefore, these financial statements do not include any provisions for income taxes.