

**Congenital Adrenal Hyperplasia Research,  
Education and Support Foundation, Inc.**

Financial Statements

December 31, 2006

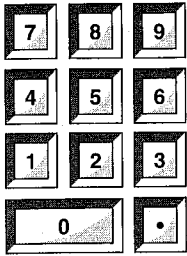
# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Financial Statements**

December 31, 2006

### **Contents**

Independent Accountant's Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 8



**HACKER, KROLL & COMPANY, P.A.**  
*Certified Public Accountants*

216 FINDERNE AVENUE • BRIDGEWATER, NJ 08807  
(908) 685-0099 • FAX (908) 685-1599 • [www.hackerkrollcpas.com](http://www.hackerkrollcpas.com)

**Independent Accountant's Report**

To Board of Directors  
Congenital Adrenal Hyperplasia Research,  
Education and Support Foundation, Inc.  
2414 Morris Avenue, Suite 110  
Union, New Jersey 07083

We have audited the accompanying statement of financial position of Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. as of December 31, 2006, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.'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 Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. as of December 31, 2006, 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.

*Hacker, Kroll & Company, P.A.*

Hacker, Kroll & Company, P.A.  
April 30, 2007

# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Statements of Financial Position**

December 31, 2006

<b>Assets</b>	
Cash	\$ 37,448
Cash – Savings	222,849
Prepaid expenses	1,069
Furniture and Fixtures and Equipment-Net	23,127
Security Deposit	<u>3,450</u>
Total Assets	<u>\$ 287,973</u>
 <b>Liabilities and Net Assets</b>	
<b>Liabilities:</b>	
Accounts Payable	\$ 550
Payroll Taxes Payable	<u>291</u>
Total Liabilities	<u>841</u>
 <b>Net Assets:</b>	
Temporarily Restricted	195,156
Unrestricted	<u>91,946</u>
Total Net Assets	<u>287,102</u>
Total Liabilities and Net Assets	<u>\$ 287,943</u>

# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Statements of Activities**

For the Year ended December 31, 2006

### **Changes in unrestricted net assets:**

#### Revenues:

Contributions	\$ 371,821
Interest and Dividends	<u>6,755</u>

Total Revenues 378,576

#### Expenses:

Program	305,220
Management and general	49,128
Fund Raising	<u>22,639</u>

Total Expenses 376,987

Increase (Decrease) in unrestricted net assets from Operations 1,589

Net Assets released from Restriction 122,831

Increase (Decrease) in unrestricted net assets 124,420

### **Changes in temporarily restricted net assets:**

Contributions	204,777
Net assets released from restrictions	<u>122,831</u>

Increase (Decrease) in temporarily restricted net assets 81,946

Increase (Decrease) in net assets 206,366

Net assets at beginning of year 80,736

Net Assets at End of Year \$ 287,102

# Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.

## Statements of Functional Expenses

For the Year ended December 31, 2006

	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Totals</u>
Audio Visual	\$ 688	\$	\$	\$ 688
Bank and Credit Card Fees	686		3,545	4,231
Computer Expenses	746			746
Consulting	10,169	4,740	3,306	18,215
Copyrights	135			135
Dues and Subscriptions	295	723	250	1,268
Depreciation		6,379		6,379
Event Costs	40,174			40,174
Family Financial Assistance	7,914			7,914
Fire Loss		19,047		19,047
Insurance		2,120		2,120
License and Permits		50	1,125	1,175
Mailing Preparation	1,160		34	1,194
Miscellaneous	6,873	694		7,567
Office Expenses	5,724			5,724
Payroll Expense	93,868	7,292	3,425	104,585
Payroll Taxes	12,432	966	454	13,852
Postage and Delivery	8,457	135	3,052	11,644
Printing and Reproduction	15,501	32	4,914	20,447
Professional Fees		4,330		4,330
Professional Training & Education	1,611	350		1,961
Rent	10,026	576	346	10,948
Scholarships and Grants	73,750			73,750
Supplies	1,544	1,179	1,928	4,651
Telephone	4,869	156	260	5,285
Travel	5,269	359		5,628
Website Maintenance	<u>3,329</u>			<u>3,329</u>
<b>TOTAL EXPENSES</b>	<u>\$ 305,220</u>	<u>\$ 49,128</u>	<u>\$ 22,639</u>	<u>\$376,987</u>

# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Statement of Cash Flows**

For the Year ended December 31, 2006

### **Cash flows from operating activities**

Increase in net assets	\$ 206,366
Adjustments to reconcile increase or decrease in net assets:	
Depreciation	6,379
Write off of Net Fixed Assets due to fire	7,731
Cash provided by operating activities:	
(Increase) Decrease in Prepaid Expenses and Security Deposit	(2,771)
Increase (Decrease) - Accounts Payable and other liabilities	<u>(14,088)</u>
Net Cash provided by operating activities	<u>203,617</u>

### **Cash flows from investing activities**

Furniture, fixtures and equipment	<u>(27,932)</u>
Net cash used in investing activities	<u>(27,932)</u>
Net Increase (decrease) in cash	175,685
Cash at beginning of year	<u>84,612</u>
Cash at end of year	<u>\$ 260,297</u>

# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Notes to Financial Statements**

December 31, 2006

### **1. Summary of Significant Accounting Policies**

#### **Organization and Description of Program**

Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. is dedicated to educating the public and physicians about all forms of Congenital Adrenal Hyperplasia, its symptoms, diagnostic protocols, treatment, genetic frequency, the necessity of early intervention and benefits of newborn screening. It is also dedicated to providing support and information to affected individuals and their families.

#### **Basis of Presentation**

Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.'s financial statements have been prepared on the accrual basis of accounting and in accordance with Statements of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and No. 117, *Financial Statements for Not-for-Profit Organizations*. Statement No. 116 requires that contributions be recognized as additions to net assets when they are received at their fair values. Statement No. 117 requires that resources be classified for accounting and reporting purposes into separate classes of net assets (unrestricted, temporarily restricted and permanently restricted) based on the existence or absence of donor-imposed restrictions. Assets and liabilities are presented in the order of their relative liquidity.

#### **Use of Estimates**

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

#### **Income Taxes**

The Foundation is exempt from federal income taxes under the Internal Revenue Code, Section 501 (c) (3); accordingly, no provision is made for state and federal income taxes.

#### **Fixed Assets**

Fixed assets are stated at cost net of accumulated depreciation of \$4,805 for furniture, fixtures and equipment. Depreciation is recorded on the straight-line method over the useful economic life of the assets as follows:

Furniture, Fixtures and Equipment	5 to 10 years
-----------------------------------	---------------



# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Notes to Financial Statements (Continued)**

### **1. Summary of Significant Accounting Policies (continued)**

#### **Donor-Imposed Restrictions**

The expiration of a donor-imposed restriction on a contribution occurs in the period when the stipulated purpose for which the resource was restricted has been fulfilled. Resources that are no longer restricted are reclassified to unrestricted net assets for financial statement presentation purposes.

#### **In-Kind Contributions**

Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. received in-kind contributions of goods and services amounting to \$2,913 for the year ended December 31, 2006. These contributions consisted of supplies for operations which were expensed.

#### **Allocation of Joint Costs**

In accordance with SFAS-117 *Financial Statements of Not-for-Profit Organizations*, The Foundation classifies its functional expenses as program, management and general, and fund raising expenses. Joint costs are allocated based on the number of employee hours, square footage and determined usage. Joint costs include salaries and wages, payroll taxes and benefits, occupancy costs, telephone, insurance and equipment rentals.

### **2. Commitments**

On April 19, 2006 the Foundation entered into an operating lease agreement for its new office space at 2414 Morris Avenue, Union New Jersey for the thirty-six month period beginning May 1, 2006 and ending April 20, 2009. The terms of the lease required a fixed monthly payment of \$1,224 for the term. Future minimum lease payments under this agreement in each of the following fiscal years are:

<u>Fiscal Year Ended</u>	<u>Amount</u>
December 31, 2007	\$ 14,688
December 31, 2008	14,688
December 31, 2009	<u>4,896</u>
	<u>\$ 34,272</u>

# **Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.**

## **Notes to Financial Statements (Continued)**

### **3. Temporarily Restricted Net Assets**

Temporarily restricted net assets of \$91,946 consist primarily of funds received in November and December of 2006 designated for use as the 2007 research grant to the National Institute of Health. The Foundation anticipates making this grant in June of 2007.

### **4. Extraordinary Loss**

On February 17, 2006 the Foundation's offices at 189 Main Street, Millburn, New Jersey were entirely destroyed by fire. All fixed assets and a majority of the records were destroyed.

As a result of this catastrophe, the Foundation incurred extraordinary expenses amounting to \$54,892 which included \$36,537 of payroll and related costs to restore operations. A summary of the cost and recoveries is as follows:

Fire Restoration Expenses	\$ 54,892
Net Book Value of Fixed Assets Destroyed	<u>7,731</u>
Total	62,623
Insurance Recovery	<u>43,576</u>
Net Loss	<u>\$ 19,047</u>

The net loss was charged to Management and general administrative expense.