

**SPELLBINDERS AND AFFILIATES**

**COMPILED COMBINED FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2011**

**SPELLBINDERS AND AFFILIATES**  
**COMPILED COMBINED FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2011**

**TABLE OF CONTENTS**

<b>ITEM</b>	<b>PAGE NUMBER</b>
Independent Accountant's Compilation Report	3
Combined Statement of Assets, Liabilities & Net Assets – Modified Cash Basis	5
Combined Statement of Support, Revenue & Expenses – Modified Cash Basis	5
Combined Statement of Cash Flows – Modified Cash Basis	7
Selected Information	8



REESE HENRY & COMPANY, INC.  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

The Board of Directors  
Spellbinders and Affiliates  
Woody Creek, Colorado

We have compiled the accompanying combined statement of assets, liabilities & net assets – modified cash basis of Spellbinders (a nonprofit organization) and affiliates as of June 30, 2011 and the related combined statements of support, revenue & expenses – modified cash basis and cash flows – modified cash basis for the year then ended.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Reese Henry & Company, Inc.*

Certified Public Accountants  
Aspen, Colorado  
September 1, 2011

**SPELLBINDERS AND AFFILIATES**

**COMBINED STATEMENT OF ASSETS, LIABILITIES & NET ASSETS – MODIFIED CASH BASIS**

**June 30, 2011**

	National Combined With Affiliates	National Spellbinders Resource Center	Jeffco Spellbinders	Larimer County Spellbinders	Littleton County Spellbinders	San Luis Valley Spellbinders
<b>ASSETS</b>						
Cash	\$ 39,975	\$ 11,702	\$ 11,129	\$ 5,643	\$ 10,604	\$ 897
Fixed Assets, net	3,950	3,950	-	-	-	-
Trademark & Copyright	1,950	1,950	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 45,875</b>	<b>\$ 17,602</b>	<b>\$ 11,129</b>	<b>\$ 5,643</b>	<b>\$ 10,604</b>	<b>\$ 897</b>
<b>LIABILITIES &amp; NET ASSETS</b>						
<b>LIABILITIES</b>						
<b>TOTAL LIABILITIES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>NET ASSETS</b>						
Unrestricted, Undesignated	45,875	17,602	11,129	5,643	10,604	897
Temporarily Restricted	-	-	-	-	-	-
<b>TOTAL NET ASSETS</b>	<b>45,875</b>	<b>17,602</b>	<b>11,129</b>	<b>5,643</b>	<b>10,604</b>	<b>897</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 45,875</b>	<b>\$ 17,602</b>	<b>\$ 11,129</b>	<b>\$ 5,643</b>	<b>\$ 10,604</b>	<b>\$ 897</b>

See accountant's compilation report.

**SPELLBINDERS AND AFFILIATES**

**COMBINED STATEMENT OF SUPPORT, REVENUE & EXPENSES – MODIFIED CASH BASIS**

**For the Year Ended June 30, 2011**

	<u>National Combined with Affiliates</u>	<u>National Spellbinders Resource Center</u>	<u>Jeffco Spellbinders</u>	<u>Larimer County Spellbinders</u>	<u>Littleton County Spellbinders</u>	<u>San Luis Valley Spellbinders</u>
<b>UNRESTRICTED NET ASSETS</b>						
<b>UNRESTRICTED REVENUES</b>						
Gifts, Grants & Contributions	\$ 50,439	\$ 43,320	\$ 5,360	\$ 949	\$ 642	\$ 168
Fee Income	7,373	3,031	420	2,917	1,005	-
Investment Income	49	-	49	-	-	-
Miscellaneous Income	100	100	-	-	-	-
<b>TOTAL UNRESTRICTED REVENUES</b>	<b>57,961</b>	<b>46,451</b>	<b>5,829</b>	<b>3,866</b>	<b>1,647</b>	<b>168</b>
Net Assets Released From Restrictions:						
Satisfaction of Program Restrictions	72,750	72,750	-	-	-	-
<b>TOTAL UNRESTRICTED REVENUES, GAINS &amp; OTHER SUPPORT</b>	<b>130,711</b>	<b>119,201</b>	<b>5,829</b>	<b>3,866</b>	<b>1,647</b>	<b>168</b>
<b>EXPENSES</b>						
Program Services	118,022	101,630	10,745	3,593	1,944	110
General & Administrative	14,803	14,803	-	-	-	-
Fundraising	2,047	2,047	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>134,872</b>	<b>118,480</b>	<b>10,745</b>	<b>3,593</b>	<b>1,944</b>	<b>110</b>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<b>(4,161)</b>	<b>721</b>	<b>(4,916)</b>	<b>273</b>	<b>(297)</b>	<b>58</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>						
Gifts, Grants & Contributions	72,750	72,750	-	-	-	-
Net Assets Released From Restrictions:						
Satisfaction of Program Restrictions	(72,750)	(72,750)	-	-	-	-
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN NET ASSETS</b>	<b>(4,161)</b>	<b>721</b>	<b>(4,916)</b>	<b>273</b>	<b>(297)</b>	<b>58</b>
<b>NET ASSETS, July 1, 2010</b>	<b>50,036</b>	<b>16,881</b>	<b>16,045</b>	<b>5,370</b>	<b>10,901</b>	<b>839</b>
<b>NET ASSETS, June 30, 2011</b>	<b>\$ 45,875</b>	<b>\$ 17,602</b>	<b>\$ 11,129</b>	<b>\$ 5,643</b>	<b>\$ 10,604</b>	<b>\$ 897</b>

See accountant's compilation report.

**SPELLBINDERS AND AFFILIATES**

**COMBINED STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS**

**For the Year Ended June 30, 2011**

	<u>National Combined with Affiliates</u>	<u>National Spellbinders Resource Center</u>	<u>Jeffco Spellbinders</u>	<u>Larimer County Spellbinders</u>	<u>Littleton County Spellbinders</u>	<u>San Luis Valley Spellbinders</u>
<b>CASH FLOWS FROM</b>						
<b>OPERATING ACTIVITIES</b>						
Change in Net Assets	\$ (4,161)	\$ 721	\$ (4,916)	\$ 273	\$ (297)	\$ 58
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	389	389	-	-	-	-
(Increase) Decrease in Prepaid Office Rental	31	31	-	-	-	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(3,741)</u>	<u>1,141</u>	<u>(4,916)</u>	<u>273</u>	<u>(297)</u>	<u>58</u>
<b>NET CHANGE IN CASH</b>	<b>(3,741)</b>	<b>1,141</b>	<b>(4,916)</b>	<b>273</b>	<b>(297)</b>	<b>58</b>
<b>CASH, July 1, 2010</b>	<u>43,716</u>	<u>10,561</u>	<u>16,045</u>	<u>5,370</u>	<u>10,901</u>	<u>839</u>
<b>CASH, June 30, 2011</b>	<u><u>\$ 39,975</u></u>	<u><u>\$ 11,702</u></u>	<u><u>\$ 11,129</u></u>	<u><u>\$ 5,643</u></u>	<u><u>\$ 10,604</u></u>	<u><u>\$ 897</u></u>

See accountant's compilation report.

## **SPELLBINDERS AND AFFILIATES**

### **SELECTED INFORMATION – Substantially All Disclosures Required by Generally Accepted Accounting Principles are not included**

**June 30, 2011**

#### **PRINCIPLES OF COMBINATION**

The combined financial statements include the accounts of National Spellbinders Resource Center and the following affiliates: Jefferson County Spellbinders, Larimer County Spellbinders, Littleton County Spellbinders and San Luis Valley Spellbinders.

#### **RESTRICTED CONTRIBUTIONS**

Contributions that are restricted by the donor are reported as increases in temporarily restricted net assets.