

SPELLBINDERS AND AFFILIATES

COMPILED COMBINED FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

SPELLBINDERS AND AFFILIATES
COMPILED COMBINED FINANCIAL STATEMENTS
For the Year Ended June 30, 2012

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Council of Trustees
Spellbinders and Affiliates
Basalt, 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, 2012 and the related combined statements of support, revenues & 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
October 11, 2012

SPELLBINDERS AND AFFILIATES

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

June 30, 2012

	National Combined With Affiliates	National Spellbinders Resource Center	Jeffco Spellbinders	Larimer County Spellbinders	Littleton County Spellbinders	San Luis Valley Spellbinders
ASSETS						
Cash	\$ 122,325	\$ 99,955	\$ 6,852	\$ 6,602	\$ 7,874	\$ 1,042
Fixed Assets, net	2,917	2,917	-	-	-	-
Trademark & Copyright	1,950	1,950	-	-	-	-
TOTAL ASSETS	\$ 127,192	\$ 104,822	\$ 6,852	\$ 6,602	\$ 7,874	\$ 1,042
LIABILITIES & NET ASSETS						
LIABILITIES						
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET ASSETS						
Unrestricted, Undesignated	40,192	17,822	6,852	6,602	7,874	1,042
Temporarily Restricted	87,000	87,000	-	-	-	-
TOTAL NET ASSETS	127,192	104,822	6,852	6,602	7,874	1,042
TOTAL LIABILITIES & NET ASSETS	\$ 127,192	\$ 104,822	\$ 6,852	\$ 6,602	\$ 7,874	\$ 1,042

See accountant's compilation report.

SPELLBINDERS AND AFFILIATES

COMBINED STATEMENT OF SUPPORT, REVENUES & EXPENSES – MODIFIED CASH BASIS

For the Year Ended June 30, 2012

	<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>
UNRESTRICTED NET ASSETS						
UNRESTRICTED REVENUES						
Gifts, Grants & Contributions	\$ 86,859	\$ 80,624	\$ 3,831	\$ 2,200	\$ 48	\$ 156
Fee Income	9,025	6,860	395	1,620	150	-
Investment Income	1	1	-	-	-	-
Loss on Disposed Assets	(33)	(33)	-	-	-	-
Net Assets Released From Restrictions:						
Satisfaction of Program Restrictions	40,250	40,250	-	-	-	-
TOTAL UNRESTRICTED REVENUES, GAINS & OTHER SUPPORT	136,102	127,702	4,226	3,820	198	156
EXPENSES						
Program Services	114,329	100,026	8,503	2,861	2,928	11
General & Administrative	18,657	18,657	-	-	-	-
Fundraising	8,799	8,799	-	-	-	-
TOTAL EXPENSES	141,785	127,482	8,503	2,861	2,928	11
CHANGE IN UNRESTRICTED NET ASSETS	(5,683)	220	(4,277)	959	(2,730)	145
TEMPORARILY RESTRICTED NET ASSETS						
Gifts, Grants & Contributions	127,250	127,250	-	-	-	-
Net Assets Released From Restrictions:						
Satisfaction of Program Restrictions	(40,250)	(40,250)	-	-	-	-
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	87,000	87,000	-	-	-	-
CHANGE IN NET ASSETS	81,317	87,220	(4,277)	959	(2,730)	145
NET ASSETS, July 1, 2011	45,875	17,602	11,129	5,643	10,604	897
NET ASSETS, June 30, 2012	\$ 127,192	\$ 104,822	\$ 6,852	\$ 6,602	\$ 7,874	\$ 1,042

See accountant's compilation report.

SPELLBINDERS AND AFFILIATES

COMBINED STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS

For the Year Ended June 30, 2012

	<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>
CASH FLOWS FROM OPERATING ACTIVITIES						
Change in Net Assets	\$ 81,317	\$ 87,220	\$ (4,277)	\$ 959	\$ (2,730)	\$ 145
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	100	100	-	-	-	-
Loss on Disposed Assets	33	33	-	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>81,450</u>	<u>87,353</u>	<u>(4,277)</u>	<u>959</u>	<u>(2,730)</u>	<u>145</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Sale of Assets	900	900	-	-	-	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>900</u>	<u>900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN CASH	82,350	88,253	(4,277)	959	(2,730)	145
CASH, July 1, 2011	39,975	11,702	11,129	5,643	10,604	897
CASH, June 30, 2012	<u>\$ 122,325</u>	<u>\$ 99,955</u>	<u>\$ 6,852</u>	<u>\$ 6,602</u>	<u>\$ 7,874</u>	<u>\$ 1,042</u>

See accountant's compilation report.

SPELLBINDERS AND AFFILIATES

SELECTED INFORMATION – Substantially All Disclosures Required by Modified Cash Basis of Accounting Are Not Included

June 30, 2012

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.

BASIS OF ACCOUNTING

Modified cash basis of accounting for these financial statements is defined as the basis of cash receipts and disbursements, with some assets and liabilities recorded, such as fixed assets, trademarks, payroll taxes payable and notes payable.

RESTRICTED CONTRIBUTIONS

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

NATIONAL SPELLBINDERS RESOURCE CENTER EXPENSES

In Fiscal Year 2012 the Council of Trustees approved \$6,000 in one-time fundraising expenses specifically to build fundraising capacity for the long term. These expenses will not be repeated in the future and without these expenses, 82% of expenses would have gone to program activities.