

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

FINANCIAL STATEMENT

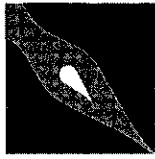
YEAR ENDED DECEMBER 31, 2009

With Report of Certified Public Accountant

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

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Susan L.
Wolski

Certified Public Accountant

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AUDITOR'S REPORT

To the Board of Directors
Shepherd's Center of Kansas City, Kansas, Inc.

I have audited the accompanying statement of financial position of Shepherd's Center of Kansas City, Kansas, Inc., a not-for-profit organization, as of December 31, 2009 and the related statements of activities, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 Organization's internal control over financial reporting. Accordingly, I express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shepherd's Center of Kansas City, Kansas, Inc., as of December 31, 2009, 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.

Susan L. Wolski, CPA

September 27, 2010

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2009

	<u>ASSETS</u>		
	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
<u>CURRENT ASSETS</u>			
Cash	\$ 8,900	\$ 46,378	\$ 55,278
Investments	91,416	-	91,416
Pledges receivable	5,168	-	5,168
Grants receivable	-	1,400	1,400
Prepaid insurance	<u>1,696</u>	<u>-</u>	<u>1,696</u>
Total Current Assets	<u>107,180</u>	<u>47,778</u>	<u>154,958</u>
<u>PROPERTY AND EQUIPMENT</u>			
Furniture and equipment	42,000	-	42,000
Less: Accumulated depreciation	<u>(39,908)</u>	<u>-</u>	<u>(39,908)</u>
Net Property and Equipment	<u>2,092</u>	<u>-</u>	<u>2,092</u>
TOTAL ASSETS	<u>\$ 109,272</u>	<u>\$ 47,778</u>	<u>\$ 157,050</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>CURRENT LIABILITIES</u>			
Accrued payroll taxes	\$ -	\$ -	\$ -
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>			
Current unrestricted	109,272	-	109,272
Temporarily restricted	<u>-</u>	<u>47,778</u>	<u>47,778</u>
Total Net Assets	<u>109,272</u>	<u>47,778</u>	<u>157,050</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 109,272</u>	<u>\$ 47,778</u>	<u>\$ 157,050</u>

See notes to financial statements

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
REVENUES:			
Program activities	\$ 3,378	\$ -	\$ 3,378
United Way	5,915	-	5,915
Government grant	-	16,834	16,834
Gifts and donations	8,083	4,000	12,083
Annual campaign	22,343	-	22,343
Grants from foundations	-	56,534	56,534
Memorials and honor gifts	5,000	-	5,000
Interest and dividend income	5,404	-	5,404
Fund raising	1,775	-	1,775
Net assets released from Restrictions	<u>70,507</u>	<u>(70,507)</u>	<u>-</u>
Total revenues	<u>122,405</u>	<u>6,861</u>	<u>129,266</u>
EXPENSES:			
Home services	34,615	-	34,615
Program/Luncheon	43,528	-	43,528
Next Chapter - planning	33,703	-	33,703
Next Chapter - implementation	29,269	-	29,269
Management and general	23,321	-	23,321
Fund raising	<u>4,573</u>	<u>-</u>	<u>4,573</u>
Total Expenses	<u>169,009</u>	<u>-</u>	<u>169,009</u>
CHANGES IN NET ASSETS	(46,604)	6,861	(39,743)
NET ASSETS, BEGINNING OF YEAR	<u>155,896</u>	<u>40,917</u>	<u>196,793</u>
NET ASSETS, END OF YEAR	<u>\$ 109,272</u>	<u>\$ 47,778</u>	<u>\$ 157,050</u>

See notes to financial statements.

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2009

CASH PROVIDED BY (USED FOR) OPERATING
ACTIVITIES:

Net changes in assets	\$(39,743)
Adjustments to reconcile net income to net cash provided by operating activities-	
Depreciation	2,484
Changes in assets and liabilities –	
Decrease in pledges receivable	701
Decrease in grants receivable	3,164
Increase in prepaid insurance	<u>(500)</u>
Net cash provided (used) by operating activities	<u>(33,894)</u>
NET CASH USED BY INVESTING	
Purchase of equipment	<u>-</u>
Net cash used by investing	<u>-</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(33,894)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>180,588</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 146,694</u>

See notes to financial statements

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2009

	Program Services			Supporting Services			Total Program and Supporting Services	
	Home Services	Other Programs	Next Chapter Planning	Next Chapter Implementation	Total	Management and General		Fund Raising
Salaries	\$ 25,404	\$ 27,441	\$ 13,671	\$ 18,450	\$ 84,966	\$ 4,754	\$ 3,184	\$ 7,938
Employee benefits	2,420	2,835	3,862	3,610	12,727	653	-	653
Payroll taxes, etc.	1,408	2,542	1,346	1,955	7,251	463	271	734
Total salaries and related expenses	29,232	32,818	18,879	24,015	104,944	5,870	3,455	9,325
Professional fees	248	424	10,063	2,281	13,016	1,995	-	1,995
Supplies	657	3,133	-	374	4,164	1,745	1,012	2,757
Telephone	561	475	340	34	1,410	475	106	581
Postage and shipping	538	1,342	1	56	1,937	800	-	800
Occupancy	1,165	800	2,000	-	3,965	2,461	-	2,461
Rental & maintenance of equipment	197	564	852	665	2,278	564	-	564
Printing and publications	-	381	57	178	616	568	-	568
Automobile mileage	365	-	-	248	613	18	-	18
Conferences and training	253	-	1,462	1,107	2,822	1,711	-	1,711
Publicity expense	159	1,041	-	130	1,330	1,041	-	1,041
Membership dues	-	-	-	-	-	2,398	-	2,398
Accounting	300	120	-	-	420	2,580	-	2,580
Insurance	693	443	-	-	1,136	442	-	442
Miscellaneous	247	-	49	181	477	156	-	156
Total before depreciation	34,615	41,541	33,703	29,269	139,128	22,824	4,573	27,397
Depreciation and amortization	-	1,987	-	-	1,987	497	-	497
Total Functional Expenses	\$ 34,615	\$ 43,528	\$ 33,703	\$ 29,269	\$ 141,115	\$ 23,321	\$ 4,573	\$ 27,894
								\$ 169,009

See notes to financial statements.

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Shepherd's Center of Kansas City, Kansas, Inc. is a not-for-profit organization devoted to developing the potential and demonstrating the effectiveness of its members in participation in community affairs. It is exempt from Federal income taxes under section 501(C)(3) of the Internal Revenue Code.

The significant accounting policies of Shepherd's Center of Kansas City, Kansas, Inc. are described below:

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Depreciation

The Organization follows the practice of capitalizing all expenditures for equipment at cost. Donated property is recorded at its fair market value at date of gift. Depreciation on equipment is provided on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives are as follows:

Furniture	10 years
Computer and peripherals	5 years

Donated Services

A substantial contribution of time and services has been made to the Organization by a number of volunteers. The value of this contributed time is not reflected in these statements since it is not susceptible to objective measurement or valuation.

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Statement of Cash Flows

For purposes of the statement of cash flows, the Organization considers investments with a maturity of one year or less to be cash equivalents.

Income Taxes

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the internal Revenue Code.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting policies generally accepted in the United States of America.

Financial Statement Presentation

The Organization has adopted Statement of Financial Standards (SFAS) No. 117, Financial Statements of Not-for Profit Organizations. Under SFAS No. 117, the Agency is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by SFAS No. 117, the Organization has, for reporting purposes, reclassified its financial statements to present the three classes of net assets required.

The Organization has also adopted SFAS No. 116 Accounting for Contributions Received and Contributions Made. Contributions and support received are recorded as described below:

Unrestricted support is recognized when received and represents resources over which the board of directors has discretionary control and is used to carry out the operations of the organization.

SHEPHERD'S CENTER OF KANSAS CITY, KANSAS, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Temporarily restricted support is recognized when received and is reclassified from temporarily restricted net assets to unrestricted net assets when the donor's restriction is satisfied or when the stipulated time has passed. Temporarily restricted net assets include support received from the grants and contributions from various foundations, businesses and individuals.

Permanently Restricted Support is recognized when received and typically are endowments under which the principal must remain intact.