

**SUDDEN INFANT DEATH
SERVICES OF ILLINOIS, INC.**

**FINANCIAL STATEMENTS
WITH
REPORT OF INDEPENDENT AUDITOR
JUNE 30, 2007**

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Providing Quality Audit and Advisory Services

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Sudden Infant Death Services of Illinois, Inc.

We have audited the statement of financial position of Sudden Infant Death Services of Illinois, Inc. as of June 30, 2007, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization'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 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 Sudden Infant Death Services of Illinois, Inc. as of June 30, 2007, and its activities, functional expenses, and cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

Dickeson & Haney, LLC

October 22, 2007

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2007

ASSETS

Cash		\$ 181,429
Certificate of deposit		84,505
Grants receivable		64,832
Deferred expenses		4,112
Security deposits		1,625
Equipment	\$ 24,592	
Less: Accumulated depreciation	<u>(15,176)</u>	<u>9,416</u>
		<u>\$ 345,919</u>

LIABILITIES AND NET ASSETS

Deferred revenue		\$ 15,425
Accounts payable		<u>42,172</u>
Total Liabilities		<u>57,597</u>
Unrestricted net assets		227,352
Temporarily restricted net assets		<u>60,970</u>
		<u>288,322</u>
		<u>\$ 345,919</u>

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

	Unrestricted	Temporarily Restricted	Total
Changes in Net Assets:			
Revenues:			
Contributions	\$ 102,402	\$ -	\$ 102,402
Grants and contracts	11,670	488,764	500,434
Conference registrations	4,061	-	4,061
Gross profit on special events (see notes)	41,924	-	41,924
Investment income	9,467	-	9,467
	<u>169,524</u>	<u>488,764</u>	<u>658,288</u>
Net assets released from restrictions	<u>457,811</u>	<u>(457,811)</u>	<u>-</u>
	<u>627,335</u>	<u>30,953</u>	<u>658,288</u>
Expenditures:			
Program services	509,159	-	509,159
General and administration	47,359	-	47,359
Fundraising	54,559	-	54,559
	<u>611,077</u>	<u>-</u>	<u>611,077</u>
Change in net assets	16,258	30,953	47,211
Net assets at beginning of year	<u>211,094</u>	<u>30,017</u>	<u>241,111</u>
Net assets at end of year	<u>\$ 227,352</u>	<u>\$ 60,970</u>	<u>\$ 288,322</u>

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2007

	Program Services						Total
	Bereavement Support	Education	Research	Total Program Services	General and Administration	Fund Raising	
Government outreach	\$ -	\$ 5,500	\$ -	\$ 5,500	\$ -	\$ 16,500	\$ 22,000
Grants	-	-	10,000	10,000	-	-	10,000
Instructional materials	-	30,099	-	30,099	-	-	30,099
Miscellaneous	-	16	-	16	3,863	-	3,879
Occupancy	8,950	11,541	-	20,491	2,590	471	23,552
Office operations	3,631	11,497	-	15,128	4,720	2,621	22,469
Payroll and benefits	80,453	105,755	-	186,208	23,015	5,193	214,416
Professional fees	4,664	37,911	-	42,575	6,442	15,666	64,683
Publications and postage	8,686	138,686	-	147,372	2,235	2,225	151,832
Support groups	367	-	-	367	-	-	367
Telephone	1,770	4,498	-	6,268	411	175	6,854
Travel and conferences	8,438	36,697	-	45,135	4,083	-	49,218
Indirect expenses of special events	-	-	-	-	-	11,708	11,708
Total Expenses	\$ 116,959	\$ 382,200	\$ 10,000	\$ 509,159	\$ 47,359	\$ 54,559	\$ 611,077

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007

Cash Flows from Operating Activities:

Change in net assets \$ 47,211

Adjustments to Reconcile Change in Net Assets
to Net Cash Provided by Operating Activities:

Depreciation 3,390

Changes in current assets
and current liabilities:

Receivables 71,602

Deferred expenses and deposits (3,317)

Deferred income 9,025

Payables (53,987)

Cash provided by operating activities 73,924

Cash Flows from Investing Activities:

Purchase of equipment (1,090)

Increase in investments (3,175)

Cash used by investing activities (4,265)

Net Increase in Cash 69,659

Cash at Beginning of the Year 111,770

Cash at End of the Year \$ 181,429

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Nature of Organization and Significant Accounting Policies

Organization. The organization was formed in 1992 for the purpose of supporting and assisting families who have lost infants to Sudden Infant Death Syndrome (SIDS). The organization promotes, stimulates, and supports SIDS research and education projects.

The organization's offices are located in Naperville, Illinois.

Income Taxes. The organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and applicable state law.

Basis of Accounting. The financial statements have been prepared on the accrual basis.

Cash equivalents consist of resources invested in demand deposit accounts, money market accounts, and other highly liquid deposit accounts.

Unrestricted Net Assets. Unrestricted net assets represent all resources over which the Board of Directors has discretionary control.

Temporarily Restricted Net Assets. Temporarily restricted net assets are those assets whose use is limited by the donor; however, the limitations are not permanent. The requirements for the utilization of these assets can be met by using the assets for specified purposes.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Grants Receivable

Grants receivable is comprised of amounts due from the following:

Illinois Department of Public Health	\$27,028
Chicago Department of Public Health	<u>37,804</u>
Total	\$64,832

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Fundraising and Special Events

The special events conducted during the fiscal year are summarized below.

	SIDS Sake Raffle	Collin Boyne Golf Outing	Oktober Fest	Golf for SIDS	Other Events	Total
Gross receipts	\$48,225	\$62,515	\$11,852	\$14,700	\$19,807	\$157,099
Less: Contributions	<u>125</u>	<u>41,403</u>	<u>8,395</u>	<u>10,050</u>	<u>0</u>	<u>59,973</u>
Gross revenue	48,100	21,112	3,457	4,650	19,807	97,126
Less: Donor benefit	<u>25,000</u>	<u>17,432</u>	<u>1,936</u>	<u>2,108</u>	<u>8,726</u>	<u>55,202</u>
Gross profit	23,100	3,680	1,521	2,542	11,081	41,924

Total expenses related to special fundraising events totaled \$66,910. This amount consisted of \$55,202 for direct donor benefits and \$11,708 of indirect expenses.

Other fundraising expenses, not related to special events, totaled \$42,851.

Investments

Investments consist of a bank certificate of deposit maturing on June 26, 2008.

Employee Pension Plan

The organization sponsors a tax deferred SIMPLE IRA (Savings Incentive Match Plan for Employees) program for its employees under Internal Revenue Code Section 408(p). The plan allows employees to invest a portion of their salary on a pre-tax basis. The organization then matches the employee contribution (dollar-for-dollar) up to an amount equal to 3% of the employee's annual compensation.

Office Lease

The organization is committed under an office lease through December 31, 2011. The lease calls for the payment of monthly rent averaging \$2,910 over the lease term plus a proportionate share of any increase in real estate taxes.