

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

**FINANCIAL STATEMENTS
WITH
REPORT OF INDEPENDENT AUDITOR
JUNE 30, 2008**

DICKESON & HANEY, LLC
Certified Public Accountants

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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, 2008, 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, 2008, 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 28, 2008

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

ASSETS

Cash		\$ 161,140
Certificate of deposit		87,681
Grants receivable		60,843
Security deposits		1,625
Equipment	\$ 31,824	
Less: Accumulated depreciation	<u>(19,059)</u>	<u>12,765</u>
		<u>\$ 324,054</u>

LIABILITIES AND NET ASSETS

Deferred revenue		\$ 7,173
Accounts payable		<u>5,479</u>
Total Liabilities		<u>12,652</u>
Unrestricted net assets		290,354
Temporarily restricted net assets		<u>21,048</u>
		<u>311,402</u>
		<u>\$ 324,054</u>

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	Unrestricted	Temporarily Restricted	Total
Changes in Net Assets:			
Revenues:			
Contributions	\$ 135,053	\$ -	\$ 135,053
Grants and contracts	12,500	350,770	363,270
Conference registrations	2,665	-	2,665
Gross profit on special events (see notes)	40,850	-	40,850
Investment income	7,997	-	7,997
	<u>199,065</u>	<u>350,770</u>	<u>549,835</u>
Net assets released from restrictions	<u>390,692</u>	<u>(390,692)</u>	<u>-</u>
	<u>589,757</u>	<u>(39,922)</u>	<u>549,835</u>
Expenditures:			
Program services	437,765	-	437,765
General and administration	42,923	-	42,923
Fundraising	46,067	-	46,067
	<u>526,755</u>	<u>-</u>	<u>526,755</u>
Change in net assets	63,002	(39,922)	23,080
Net assets at beginning of year	<u>227,352</u>	<u>60,970</u>	<u>288,322</u>
Net assets at end of year	<u>\$ 290,354</u>	<u>\$ 21,048</u>	<u>\$ 311,402</u>

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	Program Services						Total
	Bereavement Support	Education	Research	Total Program Services	General and Administration	Fund Raising	
Government outreach	\$ -	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ 18,000	\$ 24,000
Grants	-	-	7,853	7,853	-	-	7,853
Instructional materials	-	22,249	-	22,249	-	-	22,249
Occupancy	9,162	23,088	-	32,250	3,665	733	36,648
Office operations	6,633	15,919	-	22,552	1,618	1,592	25,762
Payroll and benefits	81,736	111,550	-	193,286	21,195	5,105	219,586
Professional fees	3,320	37,859	-	41,179	10,025	10,140	61,344
Publications and postage	11,879	41,427	-	53,306	3,084	4,053	60,443
Telephone	2,249	4,057	-	6,306	494	175	6,975
Travel and conferences	10,353	42,431	-	52,784	2,842	-	55,626
Indirect expenses of special events	-	-	-	-	-	6,269	6,269
Total Expenses	\$ 125,332	\$ 304,580	\$ 7,853	\$ 437,765	\$ 42,923	\$ 46,067	\$ 526,755

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

Cash Flows from Operating Activities:

Change in net assets \$ 23,080

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

Depreciation 3,883

Changes in current assets
and current liabilities:

Receivables 3,989

Deferred expenses and deposits 4,112

Deferred income (8,252)

Payables (36,694)

Cash used by operating activities (9,882)

Cash Flows from Investing Activities:

Purchase of equipment (7,231)

Increase in investments (3,176)

Cash used by investing activities (10,407)

Net Change in Cash (20,289)

Cash at Beginning of the Year 181,429

Cash at End of the Year \$ 161,140

See accompanying notes.

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

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:

State of Illinois	\$51,878
City of Chicago	<u>8,965</u>
Total	\$60,843

SUDDEN INFANT DEATH SERVICES OF ILLINOIS, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

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	\$36,070	\$51,918	\$14,263	\$16,300	\$47,394	\$165,945
Less: Contributions	<u>70</u>	<u>35,018</u>	<u>10,375</u>	<u>11,050</u>	<u>0</u>	<u>56,513</u>
Gross revenue	36,000	16,900	3,888	5,250	47,394	109,432
Less: Donor benefit	<u>25,000</u>	<u>13,025</u>	<u>2,523</u>	<u>3,815</u>	<u>24,219</u>	<u>68,582</u>
Gross profit	11,000	3,875	1,365	1,435	23,175	40,850

Total expenses related to special fundraising events totaled \$74,851. This amount consisted of \$68,582 for direct donor benefits and \$6,269 of indirect expenses.

Other fundraising expenses, not related to special events, totaled \$39,798.

Investments

Investments consist of a bank certificate of deposit.

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.