

**WYMAN CENTER, INC.**

**FINANCIAL STATEMENTS**

*December 31, 2009 and 2008*



**HUMES & BARRINGTON, LLP**  
*Certified Public Accountants*

**WYMAN CENTER, INC.**  
**FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**Table of Contents**

	<u>Page</u>
Independent Auditor's Report.....	1
Financial Statements	
Statement of Financial Position .....	2
Statement of Activities.....	3
Statement of Cash Flows .....	4
Notes to the Financial Statements.....	5 - 18
Supplementary Information	
Independent Auditor's Report on Supplementary Information .....	19
Schedule of Functional Expenses .....	20



## HUMES & BARRINGTON, LLP

*Certified Public Accountants*

*I d e a s   T h a t   M a k e   A   D i f f e r e n c e*

### *Independent Auditor's Report*

**To the Board of Directors  
Wyman Center, Inc.  
St. Louis, Missouri**

We have audited the accompanying statements of financial position of Wyman Center, Inc. (Wyman), a not-for-profit organization, as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Wyman's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Wyman Center, Inc. as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

*Humes & Barrington, LLP*

**Humes & Barrington, LLP**

May 27, 2010

**WYMAN CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
*December 31,*

	<u>2009</u>	<u>2008</u>
<i>Assets</i>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 619,235	\$ 2,343,876
Investments	2,221,494	-
Accounts receivable	112,949	132,761
Unconditional promises to give - short term <i>(Note 3)</i>	797,968	1,003,667
Inventory	28,223	27,473
Prepaid expenses	<u>53,660</u>	<u>32,355</u>
<b>Total current assets</b>	<b>3,833,529</b>	<b>3,540,132</b>
<b>Unconditional promises to give - long-term <i>(Note 3)</i></b>	<b>103,005</b>	<b>229,289</b>
<b>Deferred compensation plan asset <i>(Note 9)</i></b>	<b>78,000</b>	<b>57,250</b>
<b>Facilities and equipment, net <i>(Note 4)</i></b>	<b>5,067,006</b>	<b>4,996,275</b>
<b>Beneficial interest in charitable remainder trust <i>(Note 7)</i></b>	<b>111,070</b>	<b>98,188</b>
<b>Assets restricted for permanent investment <i>(Note 2)</i></b>	<b><u>2,883,351</u></b>	<b><u>2,895,233</u></b>
<b>Total assets</b>	<b>\$ <u>12,075,961</u></b>	<b>\$ <u>11,816,367</u></b>
<i>Liabilities and Net Assets</i>		
<b>Current liabilities:</b>		
Accounts payable - other and accrued expenses	\$ 162,959	\$ 39,416
Customer deposits	27,032	7,572
Liability under trust agreement - short term <i>(Note 7)</i>	15,800	15,800
Current maturities of long-term debt <i>(Note 6)</i>	<u>1,331,219</u>	<u>214,889</u>
<b>Total current liabilities</b>	<b>1,537,010</b>	<b>277,677</b>
<b>Liability under trust agreement - long-term <i>(Note 7)</i></b>	<b>83,874</b>	<b>88,505</b>
<b>Deferred compensation plan liability <i>(Note 9)</i></b>	<b>78,000</b>	<b>57,250</b>
<b>Notes payable <i>(Note 6)</i></b>	<b><u>1,219,320</u></b>	<b><u>2,550,539</u></b>
<b>Total liabilities</b>	<b>2,918,204</b>	<b>2,973,971</b>
<b>Net assets:</b>		
Unrestricted	4,225,857	4,427,493
Temporarily restricted <i>(Note 8)</i>	1,937,479	1,421,482
Permanently restricted <i>(Note 8)</i>	<u>2,994,421</u>	<u>2,993,421</u>
<b>Total net assets</b>	<b><u>9,157,757</u></b>	<b><u>8,842,396</u></b>
<b>Total liabilities and net assets</b>	<b>\$ <u>12,075,961</u></b>	<b>\$ <u>11,816,367</u></b>

*See the accompanying notes to the financial statements.*

**WYMAN CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
*For the Years Ended December 31,*

	2009			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
<b>Revenues and support:</b>				
Program fees	\$ 762,666	\$ -	\$ -	\$ 762,666
Grants and contributions:				
United Way Services funding	606,785	-	-	606,785
Missouri Neighborhood Assistance Program	-	2,000	-	2,000
Missouri Youth Opportunity Program	-	165,099	-	165,099
Capital campaign contributions	-	15,766	-	15,766
Grants and fees from government agencies	564,035	-	-	564,035
Special events <i>(net of direct expenses   of \$52,226 and \$73,607, respectively)</i>	94,014	25,000	-	119,014
Other grants and contributions	1,173,156	31,750	1,000	1,205,906
Total grants and contributions	2,437,990	239,615	1,000	2,678,605
Investment income:				
Interest and dividends	56,242	74,298	-	130,540
Realized gain (loss) on sale of investments	(26,946)	(34,552)	-	(61,498)
Unrealized gain (loss) on investments	377,511	499,102	-	876,613
Total investment income	406,807	538,848	-	945,655
Miscellaneous income	38,227	-	-	38,227
Change in value of split-interest agreements <i>(Note 7)</i>	-	1,713	-	1,713
Assets released from restrictions <i>(Note 8)</i>	264,179	(264,179)	-	-
<b>Total revenues and support</b>	<b>3,909,869</b>	<b>515,997</b>	<b>1,000</b>	<b>4,426,866</b>
<b>Expenses:</b>				
Program services	3,653,380	-	-	3,653,380
General and administrative	116,901	-	-	116,901
Fundraising	341,224	-	-	341,224
<b>Total expenses</b>	<b>4,111,505</b>	<b>-</b>	<b>-</b>	<b>4,111,505</b>
<b>Increase (decrease) in net assets</b>	<b>(201,636)</b>	<b>515,997</b>	<b>1,000</b>	<b>315,361</b>
<b>Net assets, beginning of year</b>	<b>4,427,493</b>	<b>1,421,482</b>	<b>2,993,421</b>	<b>8,842,396</b>
<b>Net assets, end of year</b>	<b>\$ 4,225,857</b>	<b>\$ 1,937,479</b>	<b>\$ 2,994,421</b>	<b>\$ 9,157,757</b>

*See the accompanying notes to the financial statements.*

2008

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
\$ 698,369	\$ -	\$ -	\$ 698,369
576,785	30,000	-	606,785
-	-	-	-
-	149,682	-	149,682
-	26,120	-	26,120
712,114	-	-	712,114
122,388	25,000	-	147,388
<u>564,266</u>	<u>204,423</u>	<u>500</u>	<u>769,189</u>
1,975,553	435,225	500	2,411,278
54,782	74,686	-	129,468
22,594	(963)	-	21,631
<u>(227,681)</u>	<u>(311,568)</u>	<u>-</u>	<u>(539,249)</u>
(150,305)	(237,845)	-	(388,150)
30,250	-	-	30,250
-	(37,876)	-	(37,876)
<u>887,705</u>	<u>(887,705)</u>	<u>-</u>	<u>-</u>
3,441,572	(728,201)	500	2,713,871
3,365,137	-	-	3,365,137
96,277	-	-	96,277
<u>328,754</u>	<u>-</u>	<u>-</u>	<u>328,754</u>
3,790,168	-	-	3,790,168
(348,596)	(728,201)	500	(1,076,297)
<u>4,776,089</u>	<u>2,149,683</u>	<u>2,992,921</u>	<u>9,918,693</u>
\$ <u>4,427,493</u>	\$ <u>1,421,482</u>	\$ <u>2,993,421</u>	\$ <u>8,842,396</u>

**WYMAN CENTER, INC.**  
**STATEMENT OF CASH FLOWS**  
*For the Years Ended December 31,*

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities:</b>		
Increase (decrease) in net assets	\$ 315,361	\$ (1,076,297)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	207,019	150,216
Contributions restricted for permanent endowment	(1,000)	(500)
Realized/unrealized (gain) loss on investments	(815,116)	517,618
Change in value of split-interest agreements	(12,882)	26,732
Change in assets and liabilities:		
Accounts receivable	19,812	(60,327)
Unconditional promises to give	331,983	387,464
Inventory	(750)	4,417
Prepaid expenses	(21,305)	14,646
Accounts payable and accrued expenses	123,543	(111,589)
Customer deposits	19,460	7,572
Liabilities under trust agreement	<u>(4,631)</u>	<u>(4,656)</u>
<b>Net cash provided by (used in) operating activities</b>	<b>161,494</b>	<b>(144,704)</b>
<b>Cash flows from investing activities:</b>		
Net purchases of investments	(1,394,496)	(2,639,850)
Proceeds from sale of investment in real estate	-	3,250,000
Purchases/construction of facilities and equipment	<u>(277,750)</u>	<u>(224,665)</u>
<b>Net cash provided by (used in) investing activities</b>	<b>(1,672,246)</b>	<b>385,485</b>
<b>Cash flows from financing activities:</b>		
Contributions restricted for permanent endowment	1,000	500
Principal payments on long-term debt	<u>(214,889)</u>	<u>(1,183,034)</u>
<b>Net cash used in financing activities</b>	<b>(213,889)</b>	<b>(1,182,534)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,724,641)</b>	<b>(941,753)</b>
<b>Cash and cash equivalents, <i>beginning of year</i></b>	<b><u>2,343,876</u></b>	<b><u>3,285,629</u></b>
<b>Cash and cash equivalents, <i>end of year</i></b>	<b>\$ <u>619,235</u></b>	<b>\$ <u>2,343,876</u></b>
<b>Supplemental disclosure of cash flow information</b>		
Interest paid	\$ <u>185,586</u>	\$ <u>223,177</u>

*See the accompanying notes to the financial statements.*

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of organization**

Wyman Center, Inc. (Wyman) is a St. Louis County, Missouri based, national, not-for-profit expert in developing teens. Wyman takes the best teen development theory and makes it real and effective in a way that builds fully prepared teens. Wyman consistently provides a time-tested approach with four key components. Wyman creates interactive peer group experiences; delivers curriculum that is engaging, relevant and challenging; provides community service learning; and makes sure there is strong support from adults as positive role models. This inspires and enables 15,000 teens in 41 states across the country to lead successful lives and build strong communities.

**Basis of accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting.

**Estimates and assumptions**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Basis of presentation**

Financial statement presentation follows the requirements of the Accounting Standards Codification (ASC) 958-205, *Not-for-Profit Presentation of Financial Statements*. Under ASC 958-205, Wyman 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.

**Cash and cash equivalents**

For the purposes of the statement of cash flows, all unrestricted highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents. The majority of the Organization's cash is maintained at one bank. At various times during the years ended December 31, 2009 and 2008, the Company's cash balances may have exceeded federally insured limits.

**Investments**

Investments are reported at fair value as described in Note 11 and are subject to the inherent risks of volatility in the market. Unrealized gains and losses are included as changes in net assets.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

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

**Accounts receivable and unconditional promises to give**

Unconditional promises to give consist of pledge donations from various corporations, foundations and individuals. Many of these donations have been restricted by time and use for facility needs. Unconditional promises to give are recognized as revenues in the period the promises are received. Accounts receivable and unconditional promises to give are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with customers and donors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year end will be immaterial. Accounts receivable and unconditional promises to give are recorded net of an allowance for doubtful accounts of \$10,000 as of December 31, 2009 and 2008.

**Inventories**

Inventories consist of program curriculum and assessments and are valued at cost.

**Facilities and equipment**

Facilities and equipment are carried at cost at the date of purchase or fair value at the date of gift, less accumulated depreciation calculated using the straight-line method over lives ranging from 3 to 50 years. Wyman capitalizes individual assets greater than \$1,500.

**Reclassifications**

For consistency and comparative purposes with the December 31, 2009 financial statements, certain items have been reclassified in the December 31, 2008 financial statements. The December 31, 2008 reclassifications had no effect on the change in net assets.

**Description of programs and supporting services**

The following programs and supporting services are included in the accompanying financial statements:

***Program services:***

***Wyman Teen Leadership Program***

With a progressive leadership theme and an intensive summer experience based out of historic Kiwanis Camp Wyman, the Teen Leadership Program (TLP) engages teens year-round. Teens participate in four community-learning experiences during the school year, fulfill volunteerism expectations and develop an individual Leadership Plan. Through this program, they gain the experiences, skills and values needed to act as contributing students, family members, employees and citizens.

***Wyman Teen Outreach Program © (TOP)***

The Wyman Teen Outreach Program (TOP) is a nationally recognized and replicated best practice program in youth development that promotes the positive development of adolescents through curriculum-guided, interactive group discussions and community service learning. Proven highly effective in increasing school success and reducing negative behaviors, the program is grounded by contemporary research and decades of experience to support the developmental, social and educational needs of teens, ages 12-17. TOP is expanding throughout the St. Louis region and the nation, currently reaching over 12,000 teens in the USA.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

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

**Description of programs and supporting activities** *(continued)*

**Program services** *(continued)*:

*Wyman/Lions Mane Event*

The South Side Lions Mane Event offers teens a variety of supports and opportunities; teaches critical life skills; and fosters a service ethic, all of which changes the odds to help ensure they grow into successful adults and contributing citizens. Through the Mane Event, each year Young Lion Leader Scholarships enable twenty rising seventh graders to enter Wyman's five-year Teen Leadership Program. In addition, Mane Event/Teen Outreach Program Clubs help provide over 460 middle and high school students with access to after school programming to build academic, life and leisure skills.

*Wyman Institute for Teen Development*

The Wyman Institute for Teen Development builds the capacity of youth workers and youth serving organizations to consistently deliver programs and services that prepare young people to lead successful lives and build strong communities. The knowledge and experience of the Wyman Institute for Teen Development's staff represents more than a century of expertise in youth work, youth development and leadership programs that get results. The Wyman Institute for Teen Development puts into practice the leading theories on effective youth development and leadership methods.

*Wyman Outdoor Education/School Camps*

For more than 50 years, Wyman has hosted school camp programs in line with "Show-Me Standards," including outdoor adventure, science and environmental education and team-building activities. Wyman works with teachers and students from more than 30 area school districts that participate in programs lasting from one day to a full week.

*Wyman Adult Programs*

Wyman is located in a beautifully wooded, 250-acre valley just 30 minutes west of St. Louis in the Eureka/Wildwood area. Wyman has extensive experience hosting Retreats, Corporate Team Building, Organizational Development, meetings, family reunions, holiday parties, wedding receptions and youth group outings to meet groups' needs and expectations. Full day and overnight accommodations are available. Net revenue earned from this work supports Wyman's mission.

**Supporting services:**

*General and administrative*

Includes those expenditures necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of Wyman's program strategy, secure proper administrative functioning of the Board, maintain competent legal services for the program administration of Wyman, and manage the financial and budgetary responsibilities of Wyman.

*Fundraising/development*

Provides the structure necessary to encourage and secure private financial support from individuals, organizations and corporations in the form of gifts, as well as fundraising events.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

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

**Description of programs and supporting activities** *(continued)*

**Restricted and unrestricted support and revenue**

Wyman reports gifts of cash and other assets as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. As permitted under ASC 958-205, *Not-for-Profit Presentation of Financial Statements*, Wyman has reported contributions that are temporarily restricted for purposes other than the capital campaign as unrestricted in the current year if Wyman met the donor restrictions in the same period as receipt of the contributions.

**Expense allocation**

Expenses are charged to programs and supporting activities by specific identification. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Wyman.

**Credit risk**

Financial instruments that potentially subject Wyman to credit risk consist principally of investments and deposits in financial institutions exceeding federally insured limits. Also, Wyman's investments are subject to the inherent risks associated with the security markets.

**Donated services, facilities and supplies**

Certain professional services are donated to Wyman by various organizations and individuals. Since these donated services meet the criteria for recognition under ASC 958-605, *Accounting For Contributions Received and Contributions Made*, they are recorded at fair value at the date of donation. In addition, a substantial number of volunteers have donated a significant amount of their time to Wyman's programs. However, certain donated services have not been recorded because they do not meet the criteria for recognition under ASC 958-605.

Various supplies are donated to Wyman. These items are recorded as contributions at their respective estimated fair values at the date of the donation.

Total value of donated services and supplies recorded at fair value are \$148,876 and \$154,294 for the years ended December 31, 2009 and 2008, respectively.

**Advertising costs**

Advertising costs are expensed as incurred.

**Income taxes**

Wyman constitutes a qualified, not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and is, therefore, exempt from federal income taxes. During 2009, Wyman adopted ASC 740-10, *Income Taxes*, as it relates to uncertain tax positions. Any interest and penalties recognized associated with a tax position are classified as current in the Company's financial statements, of which there are none at December 31, 2009.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

**NOTE 2 INVESTMENTS**

Investments consist of the following at December 31:

	2009		2008	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Common and preferred stocks	\$ 1,672,229	\$ 1,878,491	\$ 724,080	\$ 588,139
Mutual funds	<u>3,023,776</u>	<u>3,226,354</u>	<u>913,844</u>	<u>581,948</u>
	<u>\$ 4,696,005</u>	<u>\$ 5,104,845</u>	<u>\$ 1,637,924</u>	<u>\$ 1,170,087</u>

Investments are carried at fair value in accordance with accounting principles generally accepted in the United States of America. For the years ended December 31, 2009 and 2008, unrealized gains (losses) of \$876,614 and \$(539,249), respectively, were recorded to adjust the investments to fair value.

Assets restricted for permanent investment also include cash of \$1,725,146 at December 31, 2008.

**NOTE 3 UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give are expected to be collected in the following periods at December 31:

	<u>2009</u>	<u>2008</u>
Pledges due in less than one year	\$ 797,968	\$ 1,003,667
Pledges due in 1 - 5 years	114,034	243,584
Pledges due in greater than 5 years	<u>-</u>	<u>12,500</u>
	912,002	1,259,751
Discount to record promises to give at present value	<u>(11,029)</u>	<u>(26,795)</u>
	<u>\$ 900,973</u>	<u>\$ 1,232,956</u>

A discount rate of 5.5% was used to record promises to give at the present value of the future cash flows at December 31, 2009 and 2008.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

**NOTE 4 FACILITIES AND EQUIPMENT**

Facilities and equipment consist of the following at December 31:

	<u>2009</u>	<u>2008</u>
Land	\$ 2,888,270	\$ 2,835,810
Buildings and improvements	4,035,427	3,854,212
Vehicles	129,002	119,002
Furniture and equipment	849,931	818,402
Construction in progress	<u>9,461</u>	<u>6,915</u>
	7,912,091	7,634,341
Less accumulated depreciation	<u>2,845,085</u>	<u>2,638,066</u>
	<u>\$ 5,067,006</u>	<u>\$ 4,996,275</u>

Depreciation expense charged against revenues amounted to \$207,019 and \$150,216 for the years ended December 31, 2009 and 2008, respectively.

**NOTE 5 LINE OF CREDIT**

During the years ended December 31, 2009 and 2008, Wyman maintained a revolving loan agreement with its bank with a maximum credit limit of \$500,000 at the prime rate. The line is secured by land and improvements and is due on demand. There was no balance outstanding on the line of credit at December 31, 2009 and 2008.

**NOTE 6 LONG-TERM DEBT**

Long-term debt consists of the following at December 31:

	<u>2009</u>	<u>2008</u>
Note payable, bank, secured by a deed of trust on the land and buildings, payable in monthly installments of \$20,043 including principal and interest at 7.65%, with a balloon payment due August 17, 2010	\$ 1,248,645	\$1,386,439
Note payable, financing company, secured by a deed of trust on the land and buildings, payable in monthly installments of \$11,909 including principal and interest at 6.125%, with a balloon payment due September 1, 2022	1,262,495	1,325,947
Obligations under capital lease ( <i>Note 10</i> )	<u>39,399</u>	<u>53,042</u>
	2,550,539	2,765,428
Less: current maturities	<u>1,331,219</u>	<u>214,889</u>
	<u>\$ 1,219,320</u>	<u>\$ 2,550,539</u>

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**NOTE 6**    **LONG-TERM DEBT** *(continued)*

The scheduled maturities on long-term debt as of December 31, 2009 are as follows:

2010	\$	1,331,219
2011		88,464
2012		83,727
2013		81,018
2014		86,122
Thereafter		<u>879,989</u>
	\$	<u>2,550,539</u>

**NOTE 7**    **SPLIT-INTEREST AGREEMENTS**

During 2001, Wyman was named as the party of a charitable gift annuity. Under the annuity agreement, Wyman pays the donor quarterly installments totaling \$3,950. The present value of future payments are determined by the terms of the annuity agreement and present value factors provided by the Internal Revenue Service. At December 31, 2009 and 2008, the liability under the trust amounted to \$99,674 and \$104,305, respectively.

Wyman is also a beneficiary of a charitable remainder trust. Upon the death of the last surviving annuitant of the trust, Wyman will receive 100% of the remaining trust balance. At December 31, 2009 and 2008, this promise to give was valued at \$111,070 and \$98,188, respectively.

**NOTE 8**    **NET ASSETS**

Temporarily restricted net assets are available for the following purposes at December 31:

	<u>2009</u>	<u>2008</u>
Program activities	\$ 457,066	\$ (104,912)
General capital improvements	544,615	594,722
Aquatics	814	(644)
Outdoor education	813	(643)
Restricted for use in future operations	<u>934,171</u>	<u>932,959</u>
	\$ <u>1,937,479</u>	\$ <u>1,421,482</u>

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**NOTE 8**    **NET ASSETS** *(continued)*

Permanently restricted net assets consist of the following at December 31:

	<u>2009</u>	<u>2008</u>
Program scholarships	\$ 2,655,108	\$ 2,654,108
Capital improvements	31,000	31,000
General use	4,465	4,465
Aquatics	8,100	8,100
Outdoor education	8,093	8,093
Multiple purposes	<u>287,655</u>	<u>287,655</u>
	<u>\$ 2,994,421</u>	<u>\$ 2,993,421</u>

Net assets were released from donor-imposed restrictions as follows for the years ended December 31:

	<u>2009</u>	<u>2008</u>
Temporarily restricted:		
Program services	\$ 189,727	\$ 161,711
General capital improvements	73,452	148,204
Time restrictions met	<u>1,000</u>	<u>577,790</u>
	<u>\$ 264,179</u>	<u>\$ 887,705</u>

**NOTE 9**    **DEFERRED COMPENSATION PLANS**

During 2006, Wyman adopted a defined contribution deferred compensation plan under section 457(b) of the Internal Revenue Code for certain key members of management with ten or more years of service. Eligible employees may contribute a percentage of their salaries up to the extent permitted by law. The plan provides that Wyman will make a non-elective contribution to the plan based on the employee's years of service. The associated expense for the years ended December 31, 2009 and 2008 amounted to \$20,750 and \$19,750, respectively. Wyman has recorded a deferred compensation plan asset and liability of \$78,000 and \$57,250 as of December 31, 2009 and 2008, respectively.

Wyman has also adopted a tax-deferred annuity plan under Section 401(k) of the Internal Revenue Code which allows eligible employees to make tax-deferred contributions. Eligible employees may contribute a percentage of their salaries up to the extent permitted by law. The plan provides that Wyman will contribute 3% of the employee's annual salary to the plan. The plan also provides for employer matching contributions to a maximum of 3% of employee contributions. For years ended December 31 2009 and 2008, Wyman's contributions to the plan were \$73,984 and \$67,227, respectively.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**NOTE 10 LEASE COMMITMENTS**

**Operating leases**

Wyman leases office space with a one year term and certain office equipment under various operating lease agreements with three year terms. Rent expense amounted to \$5,597 and \$5,301 for the years ended December 31, 2009 and 2008, respectively.

At December 31, 2009 minimum annual rental commitments for office equipment are as follows:

2010	\$	5,181
2011		4,026
2012		<u>235</u>
	\$	<u><u>9,442</u></u>

**Capital leases**

The Company has a non-cancelable capital lease obligation which was obtained to finance the purchase of voice and data equipment totaling \$72,544 at December 31, 2009 and 2008. The accumulated amortization on this equipment at December 31, 2009 and 2008 was \$19,546 and \$11,728, respectively. Amortization expense is included in depreciation expense. Future minimum lease payments related to these capital leases as of December 31, 2009 are as follows:

2010	\$	18,496
2011		18,496
2012		7,707
Amount representing interest		<u>(5,300)</u>
		39,399
Less current maturities		<u>(15,123)</u>
Long-term portion	\$	<u><u>24,276</u></u>

The present value of the minimum lease payments is included in current maturities of long-term debt (see Note 6). Interest expense relating to these leases amounted to \$4,853 and \$6,189 for the years ended December 31, 2009 and 2008, respectively.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

**NOTE 11 FAIR VALUE MEASUREMENT**

The Organization adopted ASC 820-10, *Fair Value Measurement*, related to fair value reporting of financial assets and financial liabilities for the years ended December 31, 2009 and 2008.

The fair values of significant financial assets and liabilities that are measured on a recurring basis at December 31, 2009 are as follows:

	<u>Fair Value Measurements at Reporting Date Using</u>			
	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
December 31, 2009				
Cash and cash equivalents	\$ 619,235	\$ 543,205	\$ 76,030	\$ -
Investments	2,221,494	2,221,494	-	-
Unconditional promises to give	900,973	-	900,973	-
Deferred compensation plan asset	78,000	78,000	-	-
Beneficial interest in charitable remainder trust	111,070	111,070	-	-
Assets restricted for permanent investment	2,883,351	2,883,351	-	-
Liability under trust agreement	(99,674)	-	(99,674)	-
Deferred compensation plan liability	<u>(78,000)</u>	<u>(78,000)</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 6,636,449</u>	<u>\$ 5,759,120</u>	<u>\$ 877,329</u>	<u>\$ -</u>
December 31, 2008				
Unconditional promises to give	\$ 1,232,956	\$ -	\$ 1,232,956	\$ -
Deferred compensation plan asset	57,250	57,250	-	-
Beneficial interest in charitable remainder trust	98,188	98,188	-	-
Assets restricted for permanent investment	2,895,233	2,895,233	-	-
Liability under trust agreement	(104,305)	-	(104,305)	-
Deferred compensation plan liability	<u>(57,250)</u>	<u>(57,250)</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,122,072</u>	<u>\$ 2,993,421</u>	<u>\$ 1,128,651</u>	<u>\$ -</u>

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and financial liabilities valued using Level 2 are based on inputs other than quoted prices (interest rates) that are observable for the financial asset or liability.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**NOTE 12 ENDOWMENT NET ASSETS**

The endowment consists of individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The endowment includes donor-restricted endowment funds only. As of December 31, 2009, there are no funds designated by the Board of Directors to function as endowments.

**Interpretation of relevant law**

In August 2009, the State of Missouri enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Wyman's Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Wyman classifies permanently restricted net assets as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

**Return objectives and risk parameters**

Wyman has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results, over time, to out-perform a weighted, blended market index based on the target allocations established for the portfolio after adjusting for an estimated rate of inflation and net of investment management and custody fees while assuming a moderate level of investment risk.

**Strategies employed for achieving objectives**

To satisfy its long-term rate-of-return objectives, the endowment relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The endowment targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

**NOTE 12 ENDOWMENT NET ASSETS** *(continued)*

**Spending policy and how the investment objectives relate to spending policy**

The endowment has a policy of appropriating for distribution each year no more than 5 percent of the endowment trust based on a 12 quarter trailing average. In establishing this policy, the endowment considered the long-term expected return on its endowment. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Endowment net asset composition by type of net asset as of December 31, 2009:

	<u>Temporary</u>	<u>Permanent</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 387,047	\$ 2,994,421	\$ 3,381,468

Changes in the endowment net assets for the year ended December 31, 2009:

	<u>Temporarily Restricted</u>	<u>Permanent Donor-Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (138,124)	\$ 2,993,421	\$ 2,855,297
Investment return:			
Investment income	74,298	-	74,298
Net appreciation (realized and unrealized)	<u>464,550</u>	<u>-</u>	<u>464,550</u>
Total investment return	538,848	-	538,848
Contributions	-	1,000	1,000
Appropriated for:			
Operations	<u>(13,677)</u>	<u>-</u>	<u>(13,677)</u>
Endowment net assets, end of year	\$ <u>387,047</u>	\$ <u>2,994,421</u>	\$ <u>3,381,468</u>

Endowment Trust net asset composition by type of net asset as of December 31, 2008:

	<u>Temporary</u>	<u>Permanent</u>	<u>Total</u>
Donor-restricted endowment funds	\$ (138,124)	\$ 2,993,421	\$ 2,855,297

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

**NOTE 12** ENDOWMENT NET ASSETS *(continued)*

Changes in the endowment net assets for the year ended December 31, 2008:

	<u>Temporarily Restricted</u>	<u>Permanent Donor-Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 99,721	\$ 2,992,921	\$ 3,092,642
Investment return:			
Investment income	74,686	-	74,686
Net depreciation (realized and unrealized)	<u>(312,531)</u>	<u>-</u>	<u>(312,531)</u>
Total investment return	(237,845)	-	(237,845)
Contributions	<u>-</u>	<u>500</u>	<u>500</u>
Endowment net assets, end of year	\$ <u>(138,124)</u>	\$ <u>2,993,421</u>	\$ <u>2,855,297</u>

Description of endowment amounts classified as permanently and temporarily restricted net assets as of December 31, 2009 and 2008 is as follows:

**Permanently Restricted Net Assets**

	<u>2009</u>	<u>2008</u>
(1) The portion of perpetual endowment funds that is required to be retained permanently by explicit donor stipulation	\$ <u>2,994,421</u>	\$ <u>2,993,421</u>

**Temporarily Restricted Net Assets**

(1) The portion of perpetual endowment funds that is subject to a purpose restriction	\$ <u>387,047</u>	\$ <u>(138,124)</u>
---	-------------------	---------------------

**Funds with deficiencies**

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Wyman to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature that are reported in temporarily restricted net assets were \$138,124 as of December 31, 2008. These deficiencies resulted from unfavorable market fluctuations that occurred during the year.

**NOTE 13** INCOME TAX

Wyman has adopted ASC 740-10, Income Taxes, as it relates to uncertain tax positions for the year ended December 31, 2009 and has evaluated its tax positions taken for all open tax years. Currently the 2006 to 2009 tax years are open and subject to examination by the Internal Revenue Service. However, Wyman is not currently under audit nor has the Company been contacted by the Internal Revenue Service.

**WYMAN CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*December 31, 2009 and 2008*

---

**NOTE 14 SUBSEQUENT EVENTS**

Wyman has evaluated subsequent events through May 27, 2010, the date which the financial statements were available to be issued.



HUMES & BARRINGTON, LLP

*Certified Public Accountants*

*I d e a s   T h a t   M a k e   A   D i f f e r e n c e*

*Independent Auditor's Report on Supplementary Information*

To the Board of Directors  
Wyman Center, Inc.  
St. Louis, Missouri

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses for the years ended December 31, 2009 and 2008 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

*Humes & Barrington, LLP*

Humes & Barrington, LLP

May 27, 2010

**WYMAN CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
*For the Years Ended December 31.*

2009

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 1,692,540	\$ 54,157	\$ 158,082	\$ 1,904,779
Retirement plan contributions	84,178	2,694	7,862	94,734
Other employee benefits	127,929	4,093	11,949	143,971
Payroll taxes	120,972	3,871	11,299	136,142
Legal, accounting and investment fees	51,917	1,661	4,849	58,427
Advertising and promotion	33,677	1,078	3,145	37,900
Office expenses	80,058	2,562	7,477	90,097
Information technology	9,588	307	895	10,790
Occupancy	174,667	5,589	16,314	196,570
Travel	58,283	1,865	5,444	65,592
Conferences, conventions and meetings	23,345	747	2,180	26,272
Interest	170,150	5,444	15,892	191,486
Depreciation and amortization	183,952	5,886	17,181	207,019
Insurance	82,007	2,624	7,659	92,290
Food services	152,840	4,891	14,275	172,006
Professional and consulting fees	361,747	11,575	33,787	407,109
Temporary agency staffing	323	10	30	363
Independent contractors	129,841	4,155	12,127	146,123
Supplies	71,382	2,284	6,667	80,333
Other expenses	43,984	1,408	4,110	49,502
<b>Total functional expenses</b>	<b>\$ <u>3,653,380</u></b>	<b>\$ <u>116,901</u></b>	<b>\$ <u>341,224</u></b>	<b>\$ <u>4,111,505</u></b>

*See the accompanying independent auditor's report on supplementary information.*

2008

Program	General and Administrative	Fundraising	Total
\$ 1,675,925	\$ 47,948	\$ 163,728	\$ 1,887,601
77,223	2,209	7,544	86,976
103,738	2,968	10,135	116,841
119,806	3,428	11,704	134,938
73,267	2,096	7,158	82,521
51,756	1,481	5,056	58,293
74,244	2,124	7,253	83,621
12,133	347	1,185	13,665
199,249	5,701	19,465	224,415
52,960	1,515	5,174	59,649
23,574	674	2,303	26,551
201,968	5,778	19,731	227,477
133,371	3,815	13,030	150,216
81,955	2,345	8,006	92,306
124,459	3,561	12,159	140,179
122,936	3,517	12,010	138,463
26,272	752	2,567	29,591
65,971	1,887	6,445	74,303
120,753	3,455	11,797	136,005
23,577	676	2,304	26,557
<u>\$ 3,365,137</u>	<u>\$ 96,277</u>	<u>\$ 328,754</u>	<u>\$ 3,790,168</u>