

CHARGE SYNDROME FOUNDATION, INC.

BUFFALO GROVE, ILLINOIS

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2014**

CHARGE Syndrome Foundation, Inc.
FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
CHARGE Syndrome Foundation, Inc.
Buffalo Grove, Illinois

We have audited the accompanying financial statements of CHARGE Syndrome Foundation, Inc. (a nonprofit organization), which comprise the statement of assets and net assets – cash basis as of December 31, 2014, and the related statement of revenue, expenses, and changes in net assets – cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of CHARGE Syndrome Foundation, Inc. as of December 31, 2014, and its revenue, expenses and changes in its net assets for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the CHARGE Syndrome Foundation, Inc.'s 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 4, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 8 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Snodgrass of N.E. Ohio, Inc.

Ashtabula, Ohio
April 29, 2015

CHARGE Syndrome Foundation, Inc.
 STATEMENT OF ASSETS AND NET ASSETS - CASH BASIS
 December 31, 2014 with Comparative Totals for 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	\$ 443,764	\$ 329,301
Total assets	443,764	329,301
NET ASSETS		
Unrestricted net assets	443,764	329,301
Total net assets	\$ 443,764	\$ 329,301

The accompanying notes are an integral part of the financial statements.

CHARGE Syndrome Foundation, Inc.
 STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS - CASH BASIS
 Year Ended December 31, 2014 with Comparative Totals for 2013

	2014	2013
REVENUES:		
Contributions	\$ 145,049	\$ 220,723
Conference	-	243,653
Dividends and interest	119	114
Fundraising	151,704	118,139
Membership	15,365	32,665
Publications and promotional items	2,214	675
	314,451	615,969
EXPENSES:		
Program expenses	168,403	531,477
Management expenses	31,585	44,134
	199,988	575,611
NET INCREASE IN NET ASSETS	114,463	40,358
NET ASSETS AT BEGINNING OF YEAR	329,301	288,943
NET ASSETS AT END OF YEAR	\$ 443,764	\$ 329,301

The accompanying notes are an integral part of the financial statements.

CHARGE Syndrome Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the financial statements of CHARGE Syndrome Foundation, Inc.

Background: The CHARGE Syndrome Foundation, Inc. (the “Foundation”) is a non-profit charitable organization. It provides information on CHARGE syndrome to individuals, families, and professionals. Members receive a quarterly newsletter. There are biennial conferences for families and professionals. The Foundation provides educational literature to families, individuals, and professionals. The Foundation promotes and supports research regarding the identification, cause, and management of CHARGE syndrome. The majority of supporting revenue is from voluntary contributions, and memberships.

Basis of Accounting: The Foundation’s policy is to prepare its financial statements on the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Functional allocation of expenses: The costs of providing the program and activities have been itemized on a functional basis in the statement of revenue, expenses, and changes in net assets – cash basis. Accordingly, certain costs have been allocated between the program and supporting services benefited. The programs are to provide educational literature to families, individuals, and professionals plus the biennial conference.

Tax status: CHARGE Syndrome Foundation, Inc. is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and is not a private foundation pursuant to 509(a) of the code.

The Foundation recognizes interest and penalties, if any, related to unrecognized tax benefits as operating expenses. The Foundation’s tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2014, the year 2013, 2012, and 2011 returns are subject to examination.

Cash: The Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Use of estimates: Management uses estimates and assumptions in preparing financial statements in accordance with the cash basis of accounting. 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 used.

CHARGE Syndrome Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2- CASH

Cash and cash equivalents are composed of the following at December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Bank of America Checking	\$ 333,073	\$ 218,637
Ameritrade Money Market	109,983	109,864
PayPal Account	708	800
Total cash and cash equivalents	<u>\$ 443,764</u>	<u>\$ 329,301</u>

The Ameritrade Money Market account is interest bearing. At December 31, 2014, the interest rate was approximately 0.10% for the year.

The cash and cash equivalents accounts are held at different banks. The cash account is secured in total by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per account in claims for cash. At December 31, 2014, the Organization's uninsured cash balance totals were \$84,522.

NOTE 3- BUILDING RENT

The Helen Keller National Center, Inc. provides the Foundation with office space and use of office equipment. However, there is no lease agreement in place. Rent expense for both years was \$10,000.

NOTE 4- CONTRIBUTED SERVICES

No amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation.

NOTE 5- SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 29, 2015, the date on which the financial statements were available to be issued.

CHARGE Syndrome Foundation, Inc.
SCHEDULE OF FUNCTIONAL EXPENSES
Year Ended December 31, 2014 with Comparative Totals for 2013

	Program			Management and General	Total	
	Conference	Information and Education	Total Program		2014	2013
Bank fees	\$ -	\$ -	\$ -	\$ 10,433	\$ 10,433	\$ 16,620
Board meetings	4,603	5,754	10,357	1,151	11,508	11,778
Committee	-	-	-	-	-	1,304
Conference	523	-	523	-	523	375,224
Insurance	-	2,993	2,993	158	3,151	2,993
Miscellaneous	-	-	-	1,199	1,199	615
Office expense	789	4,138	4,927	1,642	6,569	6,357
Outreach	-	2,121	2,121	-	2,121	4,042
Payroll taxes	-	2,955	2,955	-	2,955	1,715
Postage	-	1,686	1,686	723	2,409	4,779
Professional fees	-	-	-	4,735	4,735	4,413
Rent	-	-	-	10,000	10,000	10,000
Research/grants	-	113,500	113,500	-	113,500	100,000
Salary	-	20,446	20,446	-	20,446	18,667
Subcontract	1,300	7,200	8,500	1,500	10,000	10,000
Telephone	57	338	395	44	439	521
Total expenses	\$ 7,272	\$ 161,131	\$ 168,403	\$ 31,585	\$ 199,988	\$ 575,611