

COMPASSIONATE CARE ALS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2008

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Compassionate Care ALS, Inc.
West Falmouth, Massachusetts

We have audited the accompanying statement of financial position of Compassionate Care ALS, Inc. (a nonprofit organization) as of December 31, 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 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. 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 Compassionate Care ALS, Inc. as of December 31, 2008, 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.


Certified Public Accountants

June 29, 2009

COMPASSIONATE CARE ALS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2008

ASSETS

Cash	\$ 163,673
Accounts receivable	1,250
	164,923
Organizational Costs	6,110
Less: Accumulated Amortization	(6,110)
Organizational Costs, Net	-
Property and Equipment	96,845
Less: Accumulated Depreciation	(22,041)
Property and Equipment, Net	74,804
Total Assets	\$ 239,727

LIABILITIES AND NET ASSETS

Accounts payable	\$ 33,549
Accrued expenses	4,132
Loan payable - vehicle	34,386
	72,067
Total Liabilities	72,067
Net Assets:	
Unrestricted	167,660
	167,660
Total Net Assets	167,660
Total Liabilities and Net Assets	\$ 239,727

See accompanying notes to financial statements.

COMPASSIONATE CARE ALS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2008

Unrestricted:	
Support, Revenues and Reclassifications:	
Public Support and Revenue:	
Contributions	\$ 306,883
Grants	73,500
Fundraising Events	259,149
Donated Services and Supplies	88,750
Program Services	40,263
Interest Income	<u>1,553</u>
Total Support, Revenues and Reclassifications	<u>770,098</u>
Expenses:	
Program Services	468,143
Supporting Services:	
Fundraising	143,043
Administrative	<u>68,622</u>
Total Expenses	<u>679,808</u>
Change in Net Assets	90,290
Net Assets - Beginning of Year	<u>77,370</u>
Net Assets - End of Year	<u>\$ 167,660</u>

See accompanying notes to financial statements.

COMPASSIONATE CARE ALS, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2008

	Program Services	Fund- raising	Admin- istration	Total
Assistance to individuals	\$ 309,922	\$ -	\$ -	\$ 309,922
Depreciation	13,828	-	-	13,828
Director's compensation	68,662	14,713	14,713	98,088
Payroll expenses	1,599	-	-	1,599
Benefits	-	-	1,665	1,665
Education and outreach	8,604	-	-	8,604
Insurance	4,675	-	1,186	5,861
Interest	-	-	1,109	1,109
Marketing	800	800	-	1,600
Occupancy and telephone	3,652	782	782	5,216
Office supplies and expense	787	-	2,339	3,126
Other	3,566	647	728	4,941
Postage and delivery	1,577	3,343	3,041	7,961
Printing	787	8,637	9,208	18,632
Professional fees	19,114	23,986	32,993	76,093
Special Events	-	90,135	-	90,135
Travel	30,570	-	858	31,428
	<u>\$ 468,143</u>	<u>\$ 143,043</u>	<u>\$ 68,622</u>	<u>\$ 679,808</u>

See accompanying notes to financial statements.

COMPASSIONATE CARE ALS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2008

Cash Flows From Operating Activities:	
Change in net assets	\$ 90,290
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Depreciation	13,828
Increase in accounts receivable	(1,250)
Increase in accounts payable and accrued expenses	<u>30,332</u>
Net cash provided by operating activities	<u>133,200</u>
Cash Flows From Investing Activities -	
Purchase of property & equipment	<u>(14,850)</u>
Net cash used in investing activities	<u>(14,850)</u>
Cash Flows From Financing Activities -	
Repayment of loan payable - director	(17,238)
Repayment of loan payable - vehicle	<u>(413)</u>
Net cash used in financing activities	<u>(17,651)</u>
Net increase (decrease) in Cash	100,699
Cash at Beginning of Year	<u>62,974</u>
Cash at End of Year	<u><u>\$ 163,673</u></u>
Supplemental Disclosures:	
Interest Paid	<u>\$ 1,109</u>
Income Taxes Paid	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

COMPASSIONATE CARE ALS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE A – ORGANIZATION AND PROGRAM SERVICES

Compassionate Care ALS, Inc. was incorporated as a non-profit organization in 2002 and grew out of the work of the Gordon T. Heald ALS Fund. Gordon T. Heald was an active New England businessman who participated in and gave generously to local charities. In 1997 he was diagnosed with ALS. Before Gordon's death, the idea of starting a fund for ALS families in his name came to light. An announcement in Gordon's obituary in October 1998 generated the seed money for the Gordon T. Heald ALS Fund. Compassionate Care ALS, Inc. is dedicated to providing assistance to families in dealing with the complexities of ALS. Compassionate Care ALS, Inc. models compassion to those affected by ALS by providing educational and legal resources, respite opportunities, instruction and guidance, subsidy of living aids and assistance, durable goods and intimate dialogue with patients and their caregivers, families, and friends. The Organization's approach draws from hands-on experience and strives to understand the overwhelming dynamics ALS families endure.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The Organization prepares its financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets as defined below:

Unrestricted Net Assets – consists of assets, public support and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets – includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, grants, bequests, contracts and investment incomes earned on restricted funds.

Permanently Restricted Net Assets – includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the Organization to expend part or all of the income derived from the donated assets.

Recognition of Donor-restricted Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. 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. Restricted contributions received and expended in accordance with the donor's restrictions in the same fiscal year are recognized as unrestricted public support in these financial statements.

COMPASSIONATE CARE ALS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE B – *continued*

Property and Equipment

Property and equipment purchases are capitalized at cost, if purchased, or at fair market value at the date of receipt, if donated. The Organization’s policy is to capitalize items with a cost or value in excess of \$500. Capitalized assets are depreciated over their estimated useful lives using the straight-line method of depreciation. Expenditures for maintenance repairs and renewals are charged to expense as incurred, whereas, major betterments are capitalized using the straight-line method, and is charged against income over the estimated useful lives of the assets. A summary of property and equipment as of December 31, 2008 is as follows:

	Estimated <u>Life</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>
Computer Equipment	3	\$ 3,882	\$ 3,882
Website	3	3,000	500
Motor Vehicles	5	<u>89,963</u>	<u>17,659</u>
		<u>\$ 96,845</u>	<u>\$ 22,041</u>

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. 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 used.

Functional Expenses

Compassionate Care ALS, Inc. allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases used in conjunction with the Organization’s cost allocation plan.

Supporting services are those related to operating and managing Compassionate Care ALS, Inc. and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Management and General – includes all activities related to Compassionate Care ALS, Inc.’s internal management and accounting for program services.

Fundraising – includes all activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for Compassionate Care ALS, Inc.’s programs.

COMPASSIONATE CARE ALS, INC.
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2008

NOTE C – PROGRAM SERVICES

Program services of the organization include the Gordon T. Heald program and Compassionate Care ALS program. Both programs provide assistance to families with ALS. Compassionate Care ALS’s range of services helps individuals to live as fully as possible within the parameters of the illness, and to gracefully experience the end of life with conscious choice and compassion. Services offered are tailored to meet the individual needs of each patient and family. Types of assistance offered include:

- **Emotional Support** – The staff visits families at home, listens and suggests options. The staff also facilitates gatherings for caregivers, offer counseling, match caregivers with caregivers & patients with patients to foster intimate dialogue at home or in other safe settings.
- **Integrative Therapies** – Subsidized massage, acupuncture, cranial-sacral therapy, self-inquiry, energy work, contemplative practice such as meditation and promoting self-care for both patients and caregivers.
- **Contemplative Practice** – Work one on one with caregivers and families, teaching meditation and visualization techniques to help alleviate fear and anxiety and to promote well-being.
- **Education** – Lead workshops on “Cultivating Compassion” for health care professionals, caregivers, and the community about investigating conscious choice, living and dying with terminal illness, practicing self-care, and other topics related to ALS.
- **Van Service** – Provide the availability of a wheelchair-accessible van for everyday needs and special trips.
- **Youth Program** – Children of ALS patients are offered rites of passage programs and other supportive resources.
- **Gordon T. Heald ALS Fund** – Subsidizes the purchase of home care equipment such as communications devices and wheelchair ramps, and assist with prescription costs and other living expenses as needed.
- **Other assistance** – Responsive to a broad spectrum of special requests to ease the family burden of living with ALS.

NOTE D – NOTE PAYABLE

The Organization had a note payable to a financial services company, secured by a vehicle. Monthly payments are \$720 through November 2013, including interest at 8.7%. The balance due under the note, as of December 31, 2008, was \$34,386.

Maturities of long-term debt are as follows:

2009	\$ 5,809
2010	6,405
2011	6,984
2012	7,613
2013	<u>7,575</u>
	<u>\$34,386</u>

COMPASSIONATE CARE ALS INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE E – DONATED SERVICES AND EQUIPMENT

Contributions of donated assets and equipment for use by individuals and families with ALS or other terminal illness are recognized at their fair market values in the period received. Typically, the equipment is designated by the donor to be given to an individual with terminal illness. Accordingly, the equipment is recorded as assistance to individuals.

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

During 2008, donated equipment consisted of equipment donated and provided to individuals with an estimated value of \$ 88,750.

NOTE F – RELATED PARTY TRANSACTIONS

During 2008, the Organization repaid a loan of \$17,238 to the executive director of the Organization.