



THE SILVER STAR FAMILIES OF AMERICA

YEAR ENDED DECEMBER 31, 2009



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The Silver Star Families of America



RMMC

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Silver Star Families of America
Springfield, Missouri

We have audited the accompanying statement of financial position of The Silver Star Families of America as of December 31, 2009, and the related statements of activities 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 The Silver Star Families of America as of December 31, 2009, 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.

Roberts, McKenzie, Mangan & Cummings

January 9, 2010



The Silver Star Families
of America



THE SILVER STAR FAMILIES OF AMERICA

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
YEAR ENDED DECEMBER 31, 2009



The Silver Star Families of America



THE SILVER STAR FAMILIES OF AMERICA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

ASSETS

Current assets:		
Cash		\$ 11,509
Inventory		1,240
Prepaid expenses		<u>4,542</u>
Total current assets		17,291
Property and equipment:		
Leasehold improvements	\$ 4,954	
Furniture and fixtures	705	
Office and computer equipment	<u>708</u>	
	6,367	
Less accumulated depreciation	<u>(129)</u>	<u>6,238</u>
		\$ 23,529

NET ASSETS

Net assets:		
Unrestricted net assets		\$ 23,529

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



The Silver Star Families of America



THE SILVER STAR FAMILIES OF AMERICA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2009

Public support and other revenue:	
Public support:	
Contributions	\$ 6,879
Sponsorships-Flags/Banners	3,870
Fundraising events	3,680
In-kind contributions	<u>6,863</u>
Total public support	<u>21,292</u>
Other revenue:	
Sales – store items	593
Less cost of sales	<u>(720)</u>
	(127)
Interest income	<u>50</u>
Total other revenue	<u>(77)</u>
Total public support and other revenue	<u>21,215</u>
Expenses:	
Program services:	
Flags/Banners	3,032
Communications	1,802
Rent expense	1,600
Postage and mailings	1,248
Conferences and meetings	969
Care packages and donations	426
State coordinator fees	67
Volunteer recognition	<u>50</u>
	<u>9,194</u>
General and administrative expenses:	
Supplies	743
Computer expense	372
Insurance	369
Bank and paypal fees	149
Depreciation	129
Membership fees	<u>35</u>
	<u>1,797</u>
Fundraising expense	<u>1,793</u>
Total expenses	<u>12,784</u>
Increase in net assets	8,431
Unrestricted net assets, beginning of year	<u>15,098</u>
Unrestricted net assets, end of year	<u>\$ 23,529</u>

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



The Silver Star Families of America



THE SILVER STAR FAMILIES OF AMERICA

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2009

Cash flows from operating activities:	
Increase in net assets	\$ 8,431
Adjustment to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	129
In-kind contribution of property	(4,783)
Increase in asset:	
Inventory	(87)
Prepaid expenses	<u>(3,293)</u>
Net cash provided by operating activities	397
Cash flows from investing activities:	
Purchase of property and equipment	<u>(1,584)</u>
Net decrease in cash and cash equivalents	(1,187)
Cash and cash equivalents, beginning of year	<u>12,696</u>
Cash and cash equivalents, end of year	<u>\$ 11,509</u>

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



The Silver Star Families of America



THE SILVER STAR FAMILIES OF AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

1. Summary of significant accounting policies

Organization and nature of activities

The Silver Star Families of America (the Organization) was organized to provide free services to the wounded members of the Armed forces, including, but not limited to, presentation of a Silver Star Banner and certificate. The Organization's mission is to also act as an advocate for the wounded and to educate the public on the plight of the wounded. The Organization also provides care packages to the wounded as well as to various military and V.A. hospitals. The Organization is funded through contributions from donors across the country and various fundraisers.

The financial statements of the Organization have been prepared on the accrual basis. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Financial statement presentation

The Organization has adopted 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: unrestricted, temporarily restricted, and permanently restricted. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, by actions of the Organization and/or the passage of time. When a restriction expires or is otherwise satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

As of December 31, 2009, the Organization had only unrestricted net assets.



The Silver Star Families of America



4. Summary of significant accounting policies (continued)

Income tax status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

Contributions

Financial statement presentation follows the Financial Accounting Standards Board's Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made." Under SFAS No. 116, the Organization is required to report contributions received as unrestricted, temporarily restricted, and permanently restricted, depending on the existence or nature of any donor restrictions. Temporarily restricted contributions are reclassified to unrestricted contributions upon satisfaction of the purpose of the restrictions. However, temporarily restricted support to the extent the restrictions have been met during the same period, are included as unrestricted support. During the year ended December 31, 2009, all of the Organization's contributions were unrestricted.

Estimates

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the statement of cash flows, the Organization considers all short-term investments with original maturities of three months or less at the financial statement date to be cash equivalents. Accordingly, a certificate of deposit held by the Organization in the amount of \$5,050 is included in cash and cash equivalents and the accompanying statement of financial position.

Property and equipment

Property and equipment is recorded at cost or at an estimated fair value at the date of the gift. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. The Organization follows the practice of capitalizing all expenditures for property and equipment with useful lives greater than one year. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Inventory

Inventory consists of various items from the organization's online store. Inventory is stated at cost and determined by the first in- first out method of valuing inventory.