

The Silver Star Families of America
Financial Statements
with
Accountant Compilation Report
for the year end December 2006

TABLE OF CONTENTS

ACCOUNTANT'S COMPILATION REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5



Huckstep & Associates, LLC
Certified Public Accountants

ACCOUNTANT'S COMPILATION REPORT

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

We have compiled the accompanying statement of financial position of **The Silver Star Families of America** as of December 31, 2006, and the related statement of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Huckstep & Associates, LLC
Huckstep & Associates, LLC
January 27, 2008

Administrative Office:

3734 South Avenue, Suite E Springfield, MO 65807
Phone: 417-889-8591 Fax: 417-889-8664
www.huckstep.com

Locations in:

MISSOURI | MICHIGAN | MONTANA

The Silver Star Families of America
Statement of Financial Position
December 31, 2006

ASSETS

Cash	\$	2,183
Prepaid Insurance		<u>248</u>
TOTAL ASSETS	\$	<u>2,431</u>

LIABILITIES AND NET ASSETS

Net Assets		
Unrestricted	\$	<u>2,431</u>
TOTAL LIABILITIES AND NET ASSETS	\$	<u>2,431</u>

See accompanying notes and accountant's report

The Silver Star Families of America
Statement of Activities
Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Totals
PUBLIC SUPPORT AND OTHER REVENUE			
Public Support			
Contributions	\$ 7,938	\$ -	\$ 7,938
Fundraising Events	2,111	-	2,111
Banner Sponsorships	6,368	-	6,368
In-kind Contributions	11,210	-	11,210
Release from Temporary Restrictions	500	(500)	-
Total Public Support	<u>28,125</u>	<u>(500)</u>	<u>27,625</u>
Other Revenue			
Empires for Cash	85	-	85
Silver Star Store Receipts	427	-	427
Cost of Sales	(372)	-	(372)
Total Other Revenue	<u>140</u>	<u>-</u>	<u>140</u>
Total Public Support and Other Revenue	<u>28,265</u>	<u>(500)</u>	<u>27,765</u>
EXPENSES			
Bank Charges and Fees	163	-	163
Care Packages	597	-	597
Computer	267	-	267
Filing Fees	1,159	-	1,159
In-kind	11,210	-	11,210
Insurance	348	-	348
Postage and Shipping	1,149	-	1,149
Prayer Blankets	514	-	514
Printing and Publications	358	-	358
Silver Star Banners	8,312	-	8,312
Supplies	896	-	896
Telephone	512	-	512
Trademark Fees	325	-	325
Volunteer Recognition	225	-	225
Total Expenses	<u>29,035</u>	<u>-</u>	<u>29,035</u>
CHANGES IN NET ASSETS	2,230	(500)	1,730
NET ASSETS - JANUARY 1, 2006	<u>201</u>	<u>500</u>	<u>701</u>
NET ASSETS - DECEMBER 31, 2006	<u>\$ 2,431</u>	<u>\$ -</u>	<u>\$ 2,431</u>

See accompanying notes and accountant's report.

**The Silver Star Families of America
Statement of Cash Flows
Year Ended December 31, 2006**

CASH FLOWS FROM OPERATING ACTIVITIES	
Contributions	\$ 7,936
Fundraising Events	2,111
Benner Sponsorships	6,368
Other Revenue	140
Silver Star Banners	(8,312)
Other Operating Expenses	<u>(6,751)</u>
Net Cash Flows From Operating Activities	<u>1,482</u>
NET INCREASE IN CASH	1,482
CASH BALANCE, Beginning of Year	<u>701</u>
CASH BALANCE, End of Year	<u>\$ 2,183</u>
CHANGE IN NET ASSETS	\$ 1,730
Adjustment to reconcile change in net assets to net cash provided by operating activities:	
(Increase) Decrease in Prepaid Expenses	<u>(248)</u>
	<u>\$ 1,482</u>

See accompanying notes and accountant's report

The Silver Star Families of America Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 collects donated materials used to provide care packages to the wounded as well as to various military and V.A. hospitals.

Basis of Accounting

Revenues and expenditures are recognized on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when both measurable and available. Expenditures under the accrual basis of accounting are recorded when the liability is incurred.

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS 117, the Organization reports information regarding its financial position and activities according to three classes of net assets, and their restricted or unrestricted nature, as follows:

Unrestricted	Carries no donor restriction
Temporarily Restricted	Time or purpose restriction
Permanently Unrestricted	Permanent donor restriction

Also under SFAS 117, the Organization is required to present a statement of cash flows.

In accordance with SFAS 117, all expenses are reported in the unrestricted net asset class. As restrictions are met, reclassification entries are made to move net assets from the temporarily restricted class to the unrestricted class so that the expenditures may be made within that asset class. At December 31, 2006, there were no temporarily or permanently restricted net assets.

Donated Materials

The Organization collects donated materials used to provide care packages to the wounded as well as to various military and V.A. hospitals. These donations have been recorded in the financial statements as in-kind contributions on the statement of activities in accordance with Statement of Financial Accounting Standards (SFAS) 116, "Accounting for Contributions Received and Contributions Made."

Tax-Exempt Status

The Silver Star Families of America qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Use of 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, and that difference may be material.