

American Society of Women Accountants Educational Foundation

Financial Statements
and Independent Auditors' Report

June 30, 2009 and 2008

American Society of Women Accountants Educational Foundation

Financial Statements
June 30, 2009 and 2008

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
American Society of Women Accountants Educational Foundation

We have audited the accompanying statements of financial position of American Society of Women Accountants Educational Foundation (the Foundation) as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation'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 audits 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 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 the Foundation at June 30, 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.

A handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is written in a cursive, slightly stylized font.

Vienna, Virginia
November 2, 2009

American Society of Women Accountants Educational Foundation

Statements of Financial Position
June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash and cash equivalents	\$ 38,435	\$ 27,113
Contributions receivable	19,360	4,690
Due from ASWA	11,923	7,643
Prepaid expenses	<u>224</u>	<u>1,900</u>
 Total assets	 <u><u>\$ 69,942</u></u>	 <u><u>\$ 41,346</u></u>
 Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 7,076	\$ 7,926
Due to ASWA	29	3,300
Scholarships payable	<u>5,200</u>	<u>2,690</u>
 Total liabilities	 <u>12,305</u>	 <u>13,916</u>
 Net Assets		
Unrestricted	40,677	27,430
Temporarily restricted	<u>16,960</u>	<u>-</u>
 Total net assets	 <u>57,637</u>	 <u>27,430</u>
 Total liabilities and net assets	 <u><u>\$ 69,942</u></u>	 <u><u>\$ 41,346</u></u>

American Society of Women Accountants Educational Foundation

Statements of Activities
For the Years Ended June 30, 2009 and 2008

	2009	2008
Unrestricted Revenue and Support		
Contributions	\$ 26,040	\$ 16,412
Scholarships	7,240	15,450
Special events	6,252	7,230
Other revenue	33	110
	39,565	39,202
Expenses		
Program services:		
Scholarships	12,011	19,506
Special events	3,569	2,846
	15,580	22,352
Total program services	15,580	22,352
Management and general	10,738	7,627
	26,318	29,979
Total expenses	26,318	29,979
Change in Unrestricted Net Assets	13,247	9,223
Temporarily Restricted Net Assets		
Scholarships	16,960	-
Change in Temporarily Restricted Net Assets	16,960	-
Change in Net Assets	30,207	9,223
Net Assets, beginning	27,430	18,207
Net Assets, ending	\$ 57,637	\$ 27,430

See accompanying notes.

American Society of Women Accountants Educational Foundation

Statements of Cash Flows
For the Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 30,207	\$ 9,223
Change in operating assets and liabilities:		
Decrease in accounts receivable	-	4,625
Increase in contributions receivable	(400)	(2,000)
Increase in due from ASWA	(4,280)	(3,211)
Decrease (increase) in prepaid expenses	1,676	(1,717)
Increase in Foundation scholarships	(14,270)	(2,690)
(Decrease) increase in accounts payable and accrued expenses	(850)	7,926
(Decrease) increase in due to ASWA	(3,271)	3,300
Increase in scholarships payable	2,510	2,330
	<u>11,322</u>	<u>17,786</u>
Net cash provided by operating activities	11,322	17,786
Net Increase in Cash and Cash Equivalents	11,322	17,786
Cash and Cash Equivalents, beginning of year	<u>27,113</u>	<u>9,327</u>
Cash and Cash Equivalents, end of year	<u>\$ 38,435</u>	<u>\$ 27,113</u>

See accompanying notes.

American Society of Women Accountants Educational Foundation

Notes to Financial Statements
June 30, 2009 and 2008

1. Nature of Operations

American Society of Women Accountants Educational Foundation (the Foundation) is a nonprofit organization, incorporated in the District of Columbia. The Foundation exists to encourage and advance financial literacy, scholarships, and life skills through programs of recognition, research and outreach for women in accounting related fields.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The Foundation's financial statements are prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles for not-for-profit organizations. Net assets are reported as follows:

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Foundation's operations. Unrestricted net assets were \$40,677 and \$27,430 at June 30, 2009 and 2008, respectively.
- *Temporarily restricted net assets* represent funds subject to donor-imposed restrictions that are met either by actions of the Foundation or the passage of time. Temporarily restricted net assets were \$16,960 and \$0 at June 30, 2009 and 2008, respectively.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Foundation considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase.

Contributions Receivable

Contributions receivable represent donations for scholarship activities that were granted to the Foundation for use in fiscal year 2009, which had not yet been received at year end. The amount is expected to be collected within one year and is deemed fully collectible.

Revenue Recognition

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Foundation reports contributions and sponsorships as temporarily restricted support if they are received with donor or grantor stipulations that limit the use of the donated assets or to a future year. 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 statements of activities as net assets released from restrictions.

American Society of Women Accountants Educational Foundation

Notes to Financial Statements
June 30, 2009 and 2008

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

As permitted, restricted contributions whose restrictions are met in the same fiscal year are treated as unrestricted. Revenue from all other sources is recognized when earned.

Fair Value Measurements

Statement of Financial Accounting Standards No. 157, "Fair Value Measurements," was adopted by the Foundation effective July 1, 2008. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and level 3 is based on unobservable inputs.

When an organization carries financial assets or liabilities at fair value, additional note disclosures are required in the financial statements. At June 30, 2009 and 2008, the Foundation had no financial assets or liabilities that were being carried at fair value.

Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through November 2, 2009, the date the financial statements were issued.

American Society of Women Accountants Educational Foundation

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3. Related Party Transaction

The American Society of Women Accountants (the Society) is an organization exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code. The Society does not have the ability to appoint the majority of the Foundation's Board of Directors and thus, does not control the Foundation. The accompanying financial statements only include the activities of the Foundation. Since inception, the Society has processed all of the Foundation's financial transactions. At June 30, 2009 and 2008, the Society owed the Foundation \$11,923 and \$7,643, respectively. In addition, the Foundation owed the Society \$29 and \$3,300 at June 30, 2009 and 2008, respectively.

4. Temporarily Restricted Net Assets

Temporarily restricted net assets are comprised of contributions that have been donor-restricted for scholarships. These scholarships are granted by the Foundation to qualified recipients to cover tuition and fees related to educational courses. The balance of these funds was \$16,960 and \$0 at June 30, 2009 and 2008, respectively.

5. Management Services

Management fees represent the amounts paid to The Coulter Companies (TCC) to provide the Foundation with management services, office space, and equipment. For both years ended June 30, 2009 and 2008, the Foundation paid TCC management fees of \$5,000.

6. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code, the Foundation is exempt from the payment of taxes on income other than net unrelated business income. No provisions for income tax are required for the years ended June 30, 2009 and 2008, as the Foundation had no net unrelated business income. Contributions to the Foundation are deductible as provided in IRC Section 170(b)(1)(A)(vi).