

Friends of the VA Puget Sound Fisher House

Financial Report

September 30, 2010

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Friends of the VA Puget Sound Fisher House
Seattle, Washington

We have audited the accompanying statement of financial position of Friends of the VA Puget Sound Fisher House (a nonprofit organization) as of September 30, 2010, 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 in the first paragraph, present fairly, in all material respects, the financial position of the Friends of the VA Puget Sound Fisher House as of September 30, 2010, and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Greenwood, Ohlund & Co., LLP
Seattle, Washington
January 15, 2011

Friends of the VA Puget Sound Fisher House
Statement of Financial Position
September 30, 2010

Assets

Current Assets

Cash	\$ 167,100
Deposits in transit	<u>10,706</u>
Total current assets	<u>\$ 177,806</u>

Net Assets

Net Assets

Unrestricted, undesignated net assets	<u>\$ 177,806</u>
Total net assets	<u>\$ 177,806</u>

See accompanying notes and independent auditor's report

Friends of the VA Puget Sound Fisher House
Statement of Activities
For the Year Ended September 30, 2010

Changes in unrestricted net assets	
Support and revenue	
Direct Public Support	\$ 125,698
Grants	5,000
Investment income	1,948
Total unrestricted support and revenue	132,646
Expenses	
Grants	100,000
Direct support of the VA Puget Sound Fisher House	84,345
Management and general	7,772
Fundraising	858
Total expenses	192,975
Decrease in unrestricted net assets	(60,329)
Net assets at beginning of year	238,135
Net assets at end of year	\$ 177,806

See accompanying notes and independent auditor's report

Friends of the VA Puget Sound Fisher House
Statements of Cash Flows
September 30, 2010

Cash Flows from Operating Activities	
Cash received from public support	\$ 130,692
Cash disbursed for expenses	(192,975)
Interest earned	<u>1,948</u>
Net cash used in operating activities	(60,329)
Net decrease in cash	(60,329)
Cash and cash equivalents at beginning of the year	<u>238,135</u>
Cash and cash equivalents at the end of the year	<u>\$ 177,806</u>

Reconciliation of Decrease in Net Assets of Cash Used in Operating Activities

Decrease in Net Assets	<u>\$ (60,329)</u>
Net cash used in operating activities	<u>\$ (60,329)</u>

See accompanying notes and independent auditor's report

Friends of the VA Puget Sound Fisher House
Notes to Financial Statements
September 30, 2010

Note 1 – Organization and Purpose

Nature of Business

Friends of the VA Puget Sound Fisher House (the “Organization”) was established and recognized as an exempt nonprofit 501(c)(3) organization by the Internal Revenue Service effective September 2006. The organization’s primary purpose is to assist the United States Veterans Affairs Puget Sound Health Care System Director in carrying out his duties under 38 U.S.C § 1708 (and any regulations and VA guidelines implementing statute) and to financially support the Fisher House at the United States Veterans Affairs Puget Sound Health Care System. Consistent with those purposes, the organization assists in raising funds to defray the construction costs of the Fisher House and assists in raising funds to defray the operation costs of the house, both of which will lessen the burdens of Government.

Note 2 – Summary of Significant Accounting Policies

Accounting Method:

The Organization follows the 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. In addition, the Organization is required to present a statement of cash flows.

Contributions:

The Organization follows SFAS No. 116, “Accounting for Contributions Received and Contributions Made” whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily restricted net assets. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of time or purpose restriction.

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 these estimates.

Cash and Cash Equivalents:

The Organization Fisher House considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

Friends of the VA Puget Sound Fisher House
Notes to Financial Statements
September 30, 2010

Note 2 – Summary of Significant Accounting Policies, continued

Federal Income Taxes:

The organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for federal income taxes has been made.

Note 3 – Concentrations of Credit Risk

The Organization maintains cash balances at financial institutions. All funds were federally insured on September 30, 2010.

Note 4 – Date of Management Review

Subsequent events have been evaluated by management through January 15, 2011, which is the date the financial statements were available to be issued.