

Cornelia de Lange
Syndrome Foundation, Inc.

FINANCIAL STATEMENTS

For the years ended
December 31, 2013 and 2012

Cornelia de Lange Syndrome Foundation, Inc.
Financial Statements
For the years ended December 31, 2013 and 2012

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BOTTARO, MORRILL & COMPANY, LLC

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To the Board of Directors of
Cornelia de Lange Syndrome Foundation, Inc.

Independent Auditor's Report

We have audited the accompanying financial statements of Cornelia de Lange Syndrome Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cornelia de Lange Syndrome Foundation, Inc. as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Bottaro, Morrill & Company, LLC

August 12, 2014

Cornelia de Lange Syndrome Foundation, Inc.
Statements of Financial Position
December 31, 2013 and 2012

	2013	2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 437,301	\$ 351,294
Investments	603,612	508,386
Total current assets	<u>1,040,913</u>	<u>859,680</u>
Fixed assets:		
Equipment	64,414	149,161
Less: accumulated depreciation	<u>(48,170)</u>	<u>(123,433)</u>
Total fixed assets, net	<u>16,244</u>	<u>25,728</u>
Other asset:		
Security deposit	<u>1,230</u>	<u>1,230</u>
Total assets	<u>\$ 1,058,387</u>	<u>\$ 886,638</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 16,078	\$ 19,228
Deferred revenue	<u>750</u>	<u>-</u>
	<u>16,828</u>	<u>19,228</u>
Net assets:		
General funds	306,960	291,235
Board designated funds	<u>614,983</u>	<u>529,569</u>
Total unrestricted funds	<u>921,943</u>	<u>820,804</u>
Temporarily restricted net assets	<u>119,616</u>	<u>46,606</u>
Total net assets	<u>1,041,559</u>	<u>867,410</u>
Total liabilities and net assets	<u>\$ 1,058,387</u>	<u>\$ 886,638</u>

See independent accountant's audit report and notes to financial statements

Cornelia de Lange Syndrome Foundation, Inc.
Statements of Activities
For the years ended December 31, 2013 and 2012

	2013	2012
Unrestricted Net Assets:		
Support		
Contributions and donations	\$ 391,251	\$ 364,605
Special events	418,140	391,273
Grants	54,693	52,124
National conference	-	72,589
Net assets released from restrictions	-	5,230
Total support revenue	<u>864,084</u>	<u>885,821</u>
Revenue		
Interest and dividend income, net of fees	10,273	10,217
Net realized and unrealized gains (losses)	<u>57,896</u>	<u>49,087</u>
Total revenue	<u>68,169</u>	<u>59,304</u>
Total support and revenue	<u>932,253</u>	<u>945,125</u>
Expenses:		
Program Services (Schedule I)		
Family support	285,358	394,859
Public information and education	186,431	286,424
Professional development, outreach and awareness	203,539	196,351
Research	35,479	14,416
Total program services	<u>710,807</u>	<u>892,050</u>
Support Services (Schedule II)		
Management and general	50,901	54,543
Fundraising costs	69,406	68,038
Total support services	<u>120,307</u>	<u>122,581</u>
Total expenses	<u>831,114</u>	<u>1,014,631</u>
Change in unrestricted net assets	<u>101,139</u>	<u>(69,506)</u>
Temporarily Restricted Net Assets:		
Contributions and grants	73,010	21,516
Net assets released from restrictions	-	(5,230)
Change in temporarily restricted net assets	<u>73,010</u>	<u>16,286</u>
Total change in net assets	\$ 174,149	\$ (53,220)
Net assets, beginning of year	867,410	920,630
Net assets, end of year	<u>\$ 1,041,559</u>	<u>\$ 867,410</u>

See independent accountant's audit report and notes to financial statements

CORNELIA DE LANGE SYNDROME FOUNDATION, INC.
Statements of Functional Expenses
For the years ended December 31, 2013 and 2012

	Program Services					
	Family Support Program	Public Information and Education	Professional Development, Outreach and Awareness	Research	Total Program Services	Comparative Totals 2012
Salaries, Payroll Taxes Employee Benefits	\$ 181,441	\$ 105,692	\$ 126,889	\$ 4,710	\$ 418,732	\$ 417,640
Depreciation	-	-	-	-	-	-
Events and Public Relations	29,144	19,174	17,640	3,835	69,793	68,640
Insurance	1,556	1,098	950	1,226	4,830	4,305
Meetings and Seminars	9,257	10,833	19,434	4,035	43,559	217,517
Office Expense	1,493	1,975	1,768	235	5,471	12,944
Postage	6,841	5,680	5,350	-	17,871	20,052
Professional Fees	14,530	13,966	12,676	-	41,172	62,360
Rent	15,289	9,513	6,795	340	31,937	31,937
Printing	11,276	9,811	4,850	233	26,170	23,915
Telephone	2,819	450	450	65	3,784	6,207
Research Grants	-	-	-	20,000	20,000	-
Dues and Subscriptions	6,037	3,283	2,017	-	11,337	13,365
Equipment Rental and Maintenance	5,675	4,956	4,720	800	16,151	13,168
Total Expenses	<u>\$ 285,358</u>	<u>\$ 186,431</u>	<u>\$ 203,539</u>	<u>\$ 35,479</u>	<u>\$ 710,807</u>	<u>\$ 892,050</u>

See independent accountant's audit report and notes to the financial statements

CORNELIA DE LANGE SYNDROME FOUNDATION, INC.
 Statements of Functional Expenses
 For the years ended December 31, 2013 and 2012

	<u>Support Services</u>			
	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Support Services</u>	<u>Comparative Totals 2012</u>
Salaries, Payroll Taxes Employee Benefits	\$ 16,391	\$ 35,907	\$ 52,298	\$ 54,532
Depreciation	13,002	-	13,002	12,978
Events and Public Relations	2,301	4,602	6,903	6,866
Insurance	161	213	374	334
Meetings and Seminars	2,956	2,972	5,928	11,962
Office Expense	2,800	2,323	5,123	4,630
Postage	1,100	3,659	4,759	5,420
Professional Fees	3,759	2,175	5,934	6,806
Rent	1,019	1,019	2,038	2,038
Printing	1,065	3,265	4,330	3,835
Telephone	50	65	115	279
Research Grants	-	-	-	-
Dues and Subscriptions	686	1,530	2,216	3,997
Equipment Rental and Maintenance	5,611	11,676	17,287	8,904
Total Expenses	<u>\$ 50,901</u>	<u>\$ 69,406</u>	<u>\$ 120,307</u>	<u>\$ 122,581</u>

See independent accountant's audit report and notes to the financial statements

Cornelia de Lange Syndrome Foundation, Inc.
Statements of Cash Flows
For the years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Change in net assets	\$ 174,149	\$ (53,220)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	13,002	12,978
Net realized and unrealized (gains) losses	(57,896)	(49,087)
Contributions of investments	(17,595)	(6,185)
Decrease in accounts payable	(3,150)	(6,818)
Increase in deferred revenues	750	-
Net cash provided (used) by operating activities	<u>109,260</u>	<u>(102,332)</u>
Cash flow from investing activities:		
Purchases of fixed assets	(3,518)	(6,471)
Net sales (purchases) of investments	(19,735)	77,462
Net cash provided (used) by investing activities	<u>(23,253)</u>	<u>70,991</u>
Net increase (decrease) in cash and equivalents	86,007	(31,341)
Cash and equivalents, beginning of year	351,294	382,635
Cash and equivalents, end of year	<u>\$ 437,301</u>	<u>\$ 351,294</u>

See independent accountant's report and notes to financial statements

Cornelia de Lange Syndrome Foundation, Inc.
Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Foundation - Cornelia de Lange Syndrome Foundation, Inc. (the Foundation) was incorporated in December 1981 as a family support organization, which exists to ensure early and accurate diagnosis of Cornelia de Lange Syndrome (CdLS), promote research into the causes and manifestations of the syndrome, and assist with a diagnosis of CdLS. From its sole office in Avon, Connecticut, Foundation Family Service Coordinators (FSCs) respond to the needs of families and health professionals by providing information about the syndrome, facilitating access to the Foundation's Clinical Advisory Board, and maintaining a national network of volunteer coordinators who extend the support services available. In addition, the Foundation operates numerous programs and produces publications to promote awareness of the syndrome and its impact on families.

The Foundation has the following programs for the years ended December 31, 2013 and 2012:

Family Support - Family Service Coordinators (FSCs) address needs of family members and health professionals in both the short and long term. FSCs answer phone calls from parents whose children have been recently diagnosed, parents needing guidance for a medical or educational decision, or families whose child has recently become ill or passed away. FSCs focus the resources of the Foundation on families by coordinating regional gatherings, supporting volunteer regional coordinators and serving as the direct point-of-contact for all family calls to the office.

Public Information and Education - The Foundation produces numerous educational publications, including a quarterly newsletter, Reaching Out, to communicate valuable information to families, friends, and health professionals nationwide.

Professional Development, Outreach and Awareness - In-house public affairs staff work to promote awareness of CdLS and the services available to professionals through the Foundation. Awareness efforts are achieved with the assistance of a nationwide network of volunteer awareness coordinators who host events, encourage media coverage of families caring for children with CdLS, and distribute Foundation-related promotional items to their local health professional community as well as to their community at-large.

Research - The Foundation supports basic science and clinical research projects to ensure that the information it provides remains the most current and accurate available.

Basis of Accounting - The financial statements of the Foundation have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

See independent accountant's audit report

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Financial Statement Presentation - Net assets, support and revenues, and expenses, are classified as unrestricted and temporarily restricted based upon the following criteria:

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor restrictions. Included in unrestricted net assets are Board-designated funds which are not donor restricted and do not meet the definition of restricted net assets.
- Temporarily restricted net assets represent contributions and grants that are restricted by the donor either as to purpose or as to time expenditure.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Furniture and equipment - Furniture and equipment are capitalized at cost. Furniture and equipment are being depreciated over estimated useful lives of five to seven years using the straight-line method. Depreciation expense for the years ending December 31, 2013 and 2012 was \$13,002 and \$12,978, respectively.

Contributions - Contributions received as well as collectible unconditional promises to give are recognized in the period received. Grants which are transferred on a reimbursement basis are recognized as income in the period in which the application for reimbursement is submitted for payment.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been assigned to the programs and supporting services benefited.

Credit Risk - The Foundation's financial instruments that are exposed to concentrations of credit risk are cash and cash equivalents. The Foundation places its cash deposits with high credit quality institutions and such deposits at times have exceeded Federal depository insurance limits. However, the Foundation has not experienced any losses in this area and management believes its cash deposits are not subject to significant credit risk.

Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results may differ from those estimates.

Cornelia de Lange Syndrome Foundation, Inc.
Notes to the Financial Statements

2. NET ASSETS

The net assets of the Foundation are considered unrestricted and temporarily restricted as defined by generally accepted accounting principles (See Note 1). At December 31, 2013 and 2012 the net assets of the Foundation totaled \$1,041,559 and \$867,410, respectively. In the event that the Foundation shall terminate, it shall dispose of its net assets in a manner consistent with its status as a tax-exempt entity under the Internal Revenue Code.

Temporarily restricted net assets are available for the following purposes:

	<u>2013</u>	<u>2012</u>
2014 National Conference	\$ 53,010	\$ -
21st Century Future Conferences Fund	66,606	46,606

3. CONTRIBUTED SERVICES AND ASSETS

During the years ended December 31, 2013 and 2012, the Foundation received donated services from many individual volunteers to perform a variety of tasks that assist the Foundation in running programs and fundraising. No amounts have been recognized in the accompanying statement of activities because the criterion for recognition as contributed services under generally accepted accounting principles has not been satisfied.

Donated assets are recognized at their fair value. Contributions of stock and fixed assets are valued at fair market value at the time it was received. The Foundation received donations of assets and stock valued at \$19,309 and \$8,185 during the years ended December 31, 2013 and 2012, respectively.

4. INVESTMENTS

The Foundation maintains its investments at fair value. Accordingly, the gains or losses that result from changes in fair value are reported in the statement of activities for the period in which they occur.

Investments at December 31, 2013 and 2012 are summarized as follows:

	<u>2013</u>	<u>2012</u>
Mutual Funds	\$ <u>603,612</u>	<u>508,386</u>

Investment return for the years ended December 31, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Interest and Dividend Income	\$ 15,746	\$ 15,835
Net realized & unrealized gains (losses)	57,896	49,087
Investment expenses	<u>(5,473)</u>	<u>(5,618)</u>
Total return	\$ 68,169	\$ 59,304

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Cornelia de Lange Syndrome Foundation, Inc.

Notes to the Financial Statements

4. INVESTMENTS (continued)

During the years ended December 31, 2013 and 2012, available-for-sale securities were sold for total proceeds of \$221,411 and \$219,953, respectively. The gross realized gains (losses) on these sales totaled \$(2,425) and \$10,369 in 2013 and 2012 respectively. For the purpose of determining gross realized gains (losses), the cost of securities sold is based on specific identification. Net unrealized holdings gains (losses) on available-for-sale securities in the amount of \$60,321 and \$38,718 for the years ended December 31, 2013 and 2012 respectively, have been included in revenues.

5. PENSION

The Foundation has a 403(b) Plan to provide retirement benefits for its employees. Employees may contribute up to the annual maximum as set periodically by the Internal Revenue Service. The Foundation does not match employee contributions.

6. FACILITY LEASE

In 2010 the Foundation renewed a five-year office lease expiring on February 2015, at an annual rent of \$33,975. Rent expense amounted to \$33,975 for the years ended December 31, 2013 and 2012. On April 1, 2014, the Foundation entered into a lease extension agreement which extends the terms of the current lease agreement through February 2018.

The following is a schedule of future minimum rental payments required under the above operating lease as of December 31, 2013.

<u>Year Ending December 31,</u>	<u>Amount</u>
2014	\$ 33,975
2015	33,975
2016	33,975
2017	33,975
2018	5,663

7. TAX STATUS

The Corporation is a nonprofit organization exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and contributions to the corporation are therefore deductible by the donor under I.R.C. Section 170(b)(1)(A)(vi).

The Organization files form 990 in the U.S. federal jurisdiction. The Organization is generally no longer subject to examination by the Internal Revenue Service for the years before 2010.

8. RECLASSIFICATIONS

Certain reclassifications have been made to the 2012 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

See independent accountant's audit report

Cornelia de Lange Syndrome Foundation, Inc.
Notes to the Financial Statements

9. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 12, 2014, the date which the financial statements were available to be issued.

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