DOWN SYNDROME PARTNERSHIP OF NORTH TEXAS

Financial Statements &
Independent Auditor's Report
Year Ended December 31, 2017

Wood, Stephens & O'Neil, L.L.P.
Certified Public Accountants

Wood, Stephens & O'Neil, L.L.P.
Certified Public Accountants

6300 Ridglea Place, Suite 318
Fort Worth, TX 76116
Tele. 817-377-1700
Fax 817-377-1870

April 24, 2018

Independent Auditor's Report

To the Management and Board of Directors
Down Syndrome Partnership of North Texas:

We have audited the accompanying financial statements of the Down Syndrome Partnership of North Texas, a not-for-profit organization, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year 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 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 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 the Organization as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Wood, Stephens & O'Neil, L.L.P.

DOWN SYNDROME PARTNERSHIP OF NORTH TEXAS

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017

ASSETS:		
Cash and cash equivalents	$	339,543
Contributions receivable		-
Prepaid expenses and rent deposits		4,458
Property and equipment, net		-
TOTAL ASSETS	$	344,001
LIABILITIES:		
Accounts payable and accrued liabilities		1,757
TOTAL LIABILITIES		1,757
NET ASSETS:		
Unrestricted		342,244
Temporarily restricted		-
Permanently restricted		-
TOTAL NET ASSETS		342,244
TOTAL LIABILITIES & NET ASSETS	$	344,001

DOWN SYNDROME PARTNERSHIP OF NORTH TEXAS

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2017

Changes in unrestricted net assets:	
Revenues:	
Contributions - unrestricted	$ 72,377
Contributions - gifts-in-kind	-
Special events, net of direct expenses of $72,136	113,798
Investment income	810
Program and miscellaneous income	6,395
Net assets released from restrictions	-
Total unrestricted revenues	193,380
Expenses:	
Program services	143,477
Management and general	41,450
Fundraising	28,452
Total expenses	213,379
Increase (decrease) in unrestricted net assets	(19,999)
Changes in temporarily restricted net assets:	
Contributions - temporarily restricted	-
Net assets released from restrictions	-
Increase (decrease) in temporarily restricted net assets	-
Changes in permanently restricted net assets:	
	-
Increase (decrease) in permanently restricted net assets	-
INCREASE (DECREASE) IN NET ASSETS	(19,999)
NET ASSETS, at beginning of year	362,243
NET ASSETS, at end of year	$ 342,244

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

DOWN SYNDROME PARTNERSHIP OF NORTH TEXAS

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017

	Program Services	Management and General	Fundraising	Total 2017 Expenses
Board meetings and training	$ -	$ 5,119	$ -	$ 5,119
Contract administrative services	-	18,324	-	18,324
Facilities and equipment	12,217	1,745	3,491	17,453
Insurance	2,472	2,472	-	4,944
Miscellaneous expenses	1,309	1,309	-	2,618
Office supplies and expense	10,166	1,452	2,905	14,523
Personnel expenses	75,391	10,771	21,540	107,702
Program education, outreach and activities	40,115	-	-	40,115
Travel and meetings	1,807	258	516	2,581
Totals	$ 143,477	$ 41,450	$ 28,452	$ 213,379
	67.24%	19.43%	13.33%	

DOWN SYNDROME PARTNERSHIP OF NORTH TEXAS

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	(19,999)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		-
(Increase) decrease in receivables		-
(Increase) decrease in prepaid expenses and rent deposits		(4,458)
Increase (decrease) in accounts payable and accrued liabilities		1,757
Net Cash Provided By (Used For) Operating Activities		(22,700)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures		-
Net Cash Provided By (Used For) Investing Activities		-
CASH FLOWS FROM FINANCING ACTIVITIES		
None		-
Net Cash Provided By (Used For) Financing Activities		-
Net increase (decrease) in cash and cash equivalents		(22,700)
Cash and cash equivalents, beginning of year		362,243
Cash and cash equivalents, end of year	$	339,543
SUPPLEMENTAL DISCLOSURES		
None applicable		-

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Down Syndrome Partnership of North Texas (the Organization), is a Section 501(c)(3) not-for-profit organization, incorporated under the laws of the State of Texas. The Organization's mission is to benefit the lives of people with Down Syndrome and their families by providing information, social and educational activities and support. The Organization is supported primarily through donor contributions, fundraising events and private grants.

General

The Organization's financial statements have been prepared on the accrual basis of accounting. The significant accounting and reporting policies used by the Organization are described below to enhance the usefulness and understandability of the financial statements.

Financial Statement Presentation

The Organization, in accordance with not-for-profit accounting standards, reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. These classes of net assets are based upon the existence or absence of restrictions on use that are placed by the Organization's donors.

Management Estimates and Assumptions

Management uses estimates and assumptions in preparing statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Property and Equipment

Property and equipment is reported at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of $1,000.

Contributions Receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected within one year are recorded at net realizable value. For these contributions the Organization uses an allowance method to determine the uncollectible portion, based on prior years' experience and management's analysis of the promises made. Contributions receivable that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not recognized as contributions until the conditions are substantially met.

Contributions and Recognition of Donor-Imposed Restrictions

Contributions, including unconditional promises to give, are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Gifts-in-Kind Contributions

The Organization receives gifts-in-kind contributions in connection with the various fundraising events which are held during the year. The Organization records the value of these contributions when these are material and when there is an objective basis available to measure their value.

No amounts have been reflected in the statements for donated services as no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers donated significant amounts of their time in the Organization's program services and fundraising events during the year.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization would be subject to tax on income unrelated to its exempt purpose.

Functional Expenses

The costs of providing the Organization’s various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain direct and indirect costs have been allocated among the programs and supporting services benefited, based on allocation percentages determined by the Organization’s management.

Investments

Any investments held by the Organization are reported at fair value, with any unrealized gains and losses resulting from fluctuations in fair value included in the statement of activities. Unless specifically restricted by the donor, all income, including realized and unrealized gains and losses, from investments is generally included in unrestricted net assets and used for general operating purposes. The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value, in accordance with accounting principles generally accepted in the United States. This requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Organization uses Level 1 inputs to measure fair value for all of its investments. Level 1 inputs are used when quoted prices for identical assets or liabilities in active markets are present to which an entity has access at the measurement date.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted short-term, highly liquid investments, with original maturities of three months or less to be cash equivalents.

Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentration of credit risk consist principally of cash investments. The Organization places its cash investments with high quality financial institutions and limits the amount of credit exposure to any one institution.

.

Subsequent Events

Management has evaluated subsequent events through April 24, 2018, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

NOTE B - LEASE COMMITMENT

The Organization is obligated under an office lease agreement which expires in October, 2020. The approximate future minimum lease payments under this operating lease agreement at December 31, 2017 are as follows: 2018 - $23,500, 2019 - $23,500, and 2020 - $19,600.

NOTE C - RESTRICTED NET ASSETS

At December 31, 2017, no temporarily restricted net assets or permanently restricted net assets were held by the Organization.