

**DISTRICT OF COLUMBIA ASSOCIATION
FOR SPECIAL EDUCATION**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009 AND 2008

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NELSON & MUDD, CHARTERED
CERTIFIED PUBLIC ACCOUNTANTS

DISTRICT OF COLUMBIA ASSOCIATION FOR SPECIAL EDUCATION

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August 27, 2009

To the Board of Directors of
District of Columbia Association for Special Education

Independent Auditor's Report

We have audited the accompanying balance sheet of the District of Columbia Association for Special Education (DCASE) as of June 30, 2009 and 2008, and the related summaries of income and cash flows, for the years then ended. These financial statements are the responsibility of DCASE's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of financial position of District of Columbia Association for Special Education at June 30, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with United States of America generally accepted accounting principles.

Nelson & Mudd, Chartered

DISTRICT OF COLUMBIA ASSOCIATION FOR SPECIAL EDUCATION

BALANCE SHEET

JUNE 30

	<u>2009</u>	<u>2008</u>
Assets		
Cash	\$ 105,619	\$ 36,035
Accounts Receivable	<u>4,753</u>	<u>4,540</u>
Total Assets	<u>\$ 110,372</u>	<u>\$ 40,575</u>
Liabilities & Equity		
Accounts Payable	50	-
Equity	<u>\$ 110,322</u>	<u>\$ 40,575</u>
Total Liabilities & Equity	<u>\$ 110,372</u>	<u>\$ 40,575</u>

The accompanying notes are part of the financial statements.

DISTRICT OF COLUMBIA ASSOCIATION FOR SPECIAL EDUCATION

SUMMARY OF INCOME

FOR YEARS ENDED JUNE 30

	<u>2009</u>	<u>2008</u>
Income		
Membership Dues	\$ 42,175	\$ 40,580
Program Service Fees (DCPS Project)	96,899	-
Total Income	<u>139,074</u>	<u>40,580</u>
Expenses		
Accounting Fees	1,000	-
Bank Charges	33	5
Conferences	301	-
Insurance	1,262	-
Legal Consultations	765	-
Payroll Expenses	6,683	-
Telephone	94	-
Total Expenses	<u>10,138</u>	<u>5</u>
DCPS Project Expenses		
Anne Gay	20,050	-
Laura Loessner	15,744	-
Marge Wasson	5,116	-
Mike McCabe	300	-
Tom Adkins	7,263	-
Bank Fees	200	-
Evaluations	10,238	-
Telephone	279	-
Total DCPS Project Expenses	<u>59,189</u>	<u>-</u>
Total Expenses & DCPS Project Expenses	<u>69,327</u>	<u>5</u>
Increase (Decrease) in fund balance	69,747	40,575
Fund balance at beginning of year	<u>40,575</u>	<u>-</u>
Fund balance at end of year	<u>\$ 110,322</u>	<u>\$ 40,575</u>

The accompanying notes are part of the financial statements.

DISTRICT OF COLUMBIA ASSOCIATION FOR SPECIAL EDUCATION

STATEMENTS OF CASH FLOWS

FOR YEARS ENDED JUNE 30

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities		
Increase(decrease) in fund balance	\$ 69,747	\$ 40,575
(Increase) decrease in receivables	\$ (213)	\$ (4,540)
Increase(decrease) in accounts payable and accrued expenses	<u>50</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>69,584</u>	<u>36,035</u>
Cash flows from investing activities		
No Activity		
Cash flows from financing activities		
No Activity		
Cash and cash equivalents at beginning of year	<u>36,035</u>	<u>-</u>
Cash and cash equivalents at end of year	<u>\$ 105,619</u>	<u>\$ 36,035</u>

The accompanying notes are part of the financial statements.

DISTRICT OF COLUMBIA ASSOCIATION FOR SPECIAL EDUCATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

NOTE 1. Organization

The District of Columbia Association for Special Education (“DCASE”) was established in 2007. DCASE is exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code (the “IRC”). DCASE focuses on sharing expertise and experience with the District of Columbia Public School, charter schools and public agencies.

NOTE 2. Summary of Significant Accounting Policies

Use of Estimates

Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

Income recognition

Membership dues are recognized when earned. During the fiscal year end June 30, 2009, DCASE entered into a service contract with the District of Columbia Public Schools (DCPS). This contract provides fees for service mainly consisting of DCASE’s members and others providing evaluations and assessments for DCPS’ special education students. The contract provided some start up funding and thereafter provides reimbursement for services delivered as invoiced.

Cash and cash equivalents

DCASE considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Taxation

DCASE is tax exempt under Internal Revenue Code section 501(c) (3).