

SPOON RIVER COLLEGE FOUNDATION
Canton, Illinois
Financial Statements
June 30, 2009

SPOON RIVER COLLEGE FOUNDATION

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CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Spoon River College Foundation

We have audited the accompanying statement of assets, liabilities and net assets – cash basis of Spoon River College Foundation (a not-for-profit corporation) as of June 30, 2009, and the related statement of activities – cash basis for the year 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 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.

As described in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Spoon River College Foundation at June 30, 2009, and the changes in its net assets for the year then ended on the basis of accounting described in Note 1.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary data included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Peoria, Illinois
February 19, 2010

Gordon, Stockman & Waugh, P.C.

SPOON RIVER COLLEGE FOUNDATION

Statement of Assets, Liabilities and Net Assets - Cash Basis

June 30, 2009

	Current Funds		Endowment Funds	Total All Funds
	Unrestricted	Temporarily Restricted		
Assets:				
Investments at cost (Note 2)	\$ 60,664	359,441	1,079,714	1,499,819
Total assets	\$ 60,664	359,441	1,079,714	1,499,819
Net Assets:				
Unrestricted	\$ 38,164	-	-	38,164
Unrestricted - Board Designated	22,500	-	-	22,500
Temporarily restricted	-	359,441	-	359,441
Permanently restricted	-	-	1,079,714	1,079,714
Total net assets	\$ 60,664	359,441	1,079,714	1,499,819

The accompanying notes to the financial statements are an integral part of this statement.

SPOON RIVER COLLEGE FOUNDATION

Statement of Activities - Cash Basis
Year Ended June 30, 2009

	Current Funds		Endowment	Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Public Support and Receipts:				
Contributions received	\$ 29,319	244,442	30,150	303,911
Investment income (loss)	-	(10,696)	-	(10,696)
Transfer	-	(20,000)	20,000	-
Net assets released from restriction	130,984	(130,984)	-	-
Total receipts	160,303	82,762	50,150	293,215
Expenses Paid:				
Scholarships	63,897	-	-	63,897
Athletic programs	27,848	-	-	27,848
Literacy activities	16,348	-	-	16,348
Macomb Center	5,219	-	-	5,219
Administrative/fundraising	19,456	-	-	19,456
Capital outlay	10,354	-	-	10,354
IRCC Student Activities	2,855	-	-	2,855
Land use - Arboretum	13,148	-	-	13,148
Habitat for Humanity	1,530	-	-	1,530
Other	3,188	-	-	3,188
Total expenses paid	163,843	-	-	163,843
Change in net assets	(3,540)	82,762	50,150	129,372
Net assets, beginning of year	64,204	276,679	1,029,564	1,370,447
Net assets, end of year	\$ 60,664	359,441	1,079,714	1,499,819

The accompanying notes to the financial statements are an integral part of this statement.

SPOON RIVER COLLEGE FOUNDATION

Notes to Financial Statements June 30, 2009

Note 1. Summary of Significant Accounting Policies

Organization: The Foundation is organized under the General Not-For-Profit Corporation Act of the State of Illinois to support the general welfare of Spoon River College by the solicitation and receipt of grants, endowments and other funds and the allocation of these funds to the College for educational, service, capital and other institutional needs.

Basis of Accounting: The financial statements of Spoon River College Foundation have been prepared on the cash basis. Consequently, certain revenue and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

Fund Accounting: To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

The assets, liabilities and net assets of the Foundation are reported in three self-balancing fund groups as follows:

Current unrestricted funds represent unrestricted resources available for support of the Foundation.

Current restricted funds represent resources restricted by the donor for a particular purpose. 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 statement of activities – cash basis as net assets released from restrictions.

Endowment funds (permanently restricted net assets) represent funds that are subject to restriction that gift principal be invested in perpetuity and that income only be used.

Investments: Investment securities are carried at cost. Gains and losses on disposition are based on the net proceeds and the carrying amount of the securities sold, using the specific identification method.

Income Taxes: The Foundation has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Subsequent Events: Management has evaluated subsequent events and transactions for potential recognition or disclosure through February 19, 2010, which was the date the financial statements were available to be issued. No items requiring disclosure were present.

SPOON RIVER COLLEGE FOUNDATION

Notes to Financial Statements June 30, 2009

Note 2. Investments

Assets of the fund groups are pooled for investment purposes. Investments as of June 30, 2009, are composed of the following:

	<u>Cost</u>	<u>Market Value</u>
Cash	\$ 294,204	294,204
Certificates of deposit	8,165	8,165
Mutual funds	24,680	19,921
Common stocks	802,506	636,374
Preferred stocks	79,437	49,276
Fixed income securities	<u>290,827</u>	<u>267,665</u>
	<u>\$ 1,499,819</u>	<u>1,275,605</u>

Investment income is comprised of the following:

Interest and dividends	\$ 41,308
Realized losses	(43,444)
Fees charged	<u>(8,560)</u>
	<u>\$ (10,696)</u>

Note 3. Temporarily Restricted Net Assets

Temporarily restricted net assets represent contributions and interest earned which are purpose restricted for scholarships or other institutional purposes. Net assets released from donor restrictions in the current year were in satisfaction of purpose restrictions.

SPOON RIVER COLLEGE FOUNDATION
 Schedule of Changes in Net Assets
 Year Ended June 30, 2009

	Balance Beginning of Period	Increases		Decreases			Balance End of Period
		Gifts	Investment Income	Scholarships	Expenses	Transfers	
<u>Unrestricted</u>							
Unrestricted	\$ 48,633.40	29,318.71	-	-	19,456.27	(20,332.55)	38,163.29
Total unrestricted	48,633.40	29,318.71	-	-	19,456.27	(20,332.55)	38,163.29
<u>Temporarily Restricted</u>							
Clara Donaldson	1,763.50	-	-	-	-	(1,763.50)	-
General Scholarships	37,112.95	10,276.50	-	12,398.00	-	(3,182.91)	31,808.54
General Endowed Scholarships	1,066.00	-	-	-	-	4,027.44	5,093.44
Danny Ball	28.00	-	-	500.00	-	1,370.00	898.00
Canton Rotary Ketric Klingman	(14.00)	2,000.00	-	-	-	1,148.00	3,134.00
Dorothy Cox	(350.00)	-	-	1,500.00	-	2,648.00	798.00
Carl Jackson	(53.00)	-	-	300.00	-	1,151.00	798.00
Dean Crawford Memorial	62.00	-	-	200.00	-	886.00	748.00
Harold Dare	-	50.00	-	500.00	-	1,148.00	698.00
Early Childhood Education Scholarship	-	-	-	-	-	3,300.00	3,300.00
Donald & Helen English	(30.00)	-	-	600.00	-	1,578.00	948.00
Berniece Kruschinsky	430.00	-	-	750.00	-	1,593.00	1,273.00
Carl Kruschinsky	(60.00)	-	-	600.00	-	1,608.00	948.00
Francis & Dorothea McPheeters	3,780.00	-	-	800.00	-	1,638.00	4,618.00
MidAmerica National Bank	(4,067.00)	-	-	8,000.00	-	9,915.00	(2,152.00)
Mildred & Emory Brott	(3,332.00)	450.00	-	4,500.00	-	7,080.00	(302.00)
Mr. & Mrs. Gus Miller	20,168.00	20,000.00	-	1,875.00	-	(17,563.00)	20,730.00
Molly O'Brien	1,055.00	2,870.00	-	3,169.84	-	1,148.89	1,904.05
Macomb Altrusa Club Scholarship	(1,500.00)	1,200.00	-	1,200.00	-	1,500.00	-
Sherman Reed Trust Scholarship	-	13,513.61	-	-	-	950.22	14,463.83
Mr. & Mrs. Glen Rogers	1,878.84	-	-	250.00	-	11,690.32	13,319.16
George E. & Verda Mae Poland	(12.00)	-	-	150.00	-	885.00	723.00
PMT Scholarship	3,290.00	2,777.00	-	1,000.00	-	1,358.00	6,425.00
W. I. Taylor Memorial	687.00	200.00	-	-	-	861.00	1,748.00
Louise Wood Trust	(370.67)	-	-	250.00	-	1,143.67	523.00
Canton Works Club	0.46	750.00	-	1,500.00	-	(0.46)	(750.00)
Avis Dominiski	9,740.00	1,290.00	-	-	-	-	11,030.00
F. R. & M. O. Herink Memorial	67.92	500.00	-	1,000.00	-	(67.92)	(500.00)
Rosie Brown Memorial Nursing	920.27	189.50	-	100.00	-	(0.27)	1,009.50
Robert Smolich Scholarship	(138.00)	-	-	400.00	-	1,186.00	648.00
B. H. & Jim Taylor	438.88	2,325.11	-	600.00	-	(13.88)	2,150.11
Wesley United Meth. - Fellheimer	3,132.56	15,000.00	-	14,354.00	-	(0.56)	3,778.00
Canton Rotary Club	2,537.94	-	-	2,000.00	-	(37.94)	500.00
IHIA Scholarship	250.72	2,000.00	-	2,000.00	-	(0.72)	250.00
Illinois Elks	0.57	-	-	-	-	(0.57)	-
L. D. Barnard	1,685.00	5,000.00	-	-	-	1,296.00	7,981.00
J. Marshall & Helen Quick Scholarship	(43.00)	-	-	3,000.00	-	5,116.00	2,073.00
Rose Marinich Scholarship	1,260.00	-	-	-	-	(1,260.00)	-
Katherine Jaeger	134.77	200.00	-	400.00	-	(134.77)	(200.00)
Sherrie L. Wood Memorial Nursing Scholarship	-	1,461.00	-	-	-	3,250.00	4,711.00
SRC Alumni Scholarship	-	400.00	-	-	-	-	400.00
Tom Greenwell Memorial Scholarship	-	55.00	-	-	-	2,700.00	2,755.00
Foundation Board and BOT's Scholarship	-	1,450.50	-	-	-	660.00	2,110.50
Alumni Association	1,856.50	-	-	-	-	-	1,856.50
Athletic Program Fund	1,340.43	2,228.50	-	-	2,120.80	-	1,448.13

SPOON RIVER COLLEGE FOUNDATION
 Schedule of Changes in Net Assets
 Year Ended June 30, 2009

	Balance Beginning of Period	Increases		Decreases			Balance End of Period
		Gifts	Investment Income	Scholarships	Expenses	Transfers	
Automotive Fund	(108.90)	18.00	-	-	50.00	140.90	-
Baseball Program	4,473.83	2,490.00	-	-	5,230.26	-	1,733.57
Basketball Program - Men's	882.24	2,797.50	-	-	2,964.30	-	715.44
Basketball Program - Women's	1,527.36	-	-	-	1,015.72	-	511.64
Softball Program	1,192.03	16,182.00	-	-	16,516.58	-	857.45
College for Kids	(408.74)	-	-	-	-	-	(408.74)
Dance Team	48.31	485.11	-	-	422.97	-	110.45
Havana Center	2,655.00	4,415.00	-	-	-	-	7,070.00
IRCC Activity Account	7,416.77	7,607.46	-	-	2,855.28	-	12,168.95
Macomb Center	33,980.71	55,501.75	-	-	15,573.40	-	73,909.06
Rushville Center	297.19	-	-	-	-	-	297.19
Child Care Fundraising	4,688.28	-	-	-	-	(4,688.28)	-
Adult Ed and Family Literacy/GED	5,088.94	830.00	-	-	-	-	5,918.94
Ag Fundraising	217.25	-	-	-	-	-	217.25
Art with Preston Jackson	-	1,300.00	-	-	1,200.00	(100.00)	-
Community Chorus	-	3,792.00	-	-	-	(2,600.00)	1,192.00
Fellowship of Christian Athletes	787.00	-	-	-	-	(787.00)	-
Friends of SRC Theatre	866.00	25.00	-	-	-	-	891.00
Nursing Fundraising	100.00	-	-	-	-	-	100.00
Habitat for Humanity	3,389.55	11,390.34	-	-	1,529.88	-	13,250.01
ISA - Electronics	843.07	-	-	-	-	(843.07)	-
Retirees Leading Institute	-	1,247.00	-	-	-	-	1,247.00
SRC - Learning Resource Center	348.55	-	-	-	-	-	348.55
Student Activities	(74.02)	-	-	-	-	-	(74.02)
Student Senate	130.33	-	-	-	-	-	130.33
The Big Read	28.65	16,193.75	-	-	16,347.75	-	(125.35)
Tools & Equipment - Ditec	1,914.58	650.00	-	-	-	-	2,564.58
Undistributed Interest	46,529.04	-	32,747.97	-	-	(46,529.04)	32,747.97
Realized gains (losses)	70,144.65	-	(43,444.44)	-	-	-	26,700.21
Classroom/Lounge Furniture	985.53	432.00	-	-	-	-	1,417.53
Land Use	6,869.26	-	-	-	4,888.17	4,888.17	6,869.26
Land Lab	(7,672.93)	32,227.74	-	-	8,259.57	(4,888.17)	11,407.07
PEEPS	125.23	411.00	-	-	1,515.08	-	(978.85)
Smart Classrooms	2,370.80	260.00	-	-	-	-	2,630.80
Truman Standard Trust	2,325.89	-	-	-	-	-	2,325.89
Total temporarily restricted	276,679.09	244,442.37	(10,696.47)	63,896.84	80,489.76	(6,597.45)	359,440.94

SPOON RIVER COLLEGE FOUNDATION
 Schedule of Changes in Net Assets
 Year Ended June 30, 2009

	Balance Beginning of Period	Increases		Decreases			Balance End of Period
		Gifts	Investment Income	Scholarships	Expenses	Transfers	
<u>Permanently Restricted - Endowment</u>							
General Endowed Scholarships	14,378.39	-	-	-	-	(1,602.05)	12,776.34
Danny Ball	14,290.71	-	-	-	-	409.29	14,700.00
Canton Rotary Ketric Klingman	9,860.01	-	-	-	-	239.99	10,100.00
Carl Jackson	10,831.47	-	-	-	-	(31.47)	10,800.00
Dorothy Cox Endowment	38,079.12	-	-	-	-	920.88	39,000.00
Clara Donaldson	27,081.33	-	-	-	-	(27,081.33)	-
Dean Crawford	3,815.58	-	-	-	-	184.42	4,000.00
Harold Dare Endowment	10,000.00	-	-	-	-	-	10,000.00
Donald & Helen English	17,045.08	-	-	-	-	(45.08)	17,000.00
Berneice Kruschinsky	17,689.72	-	-	-	-	810.28	18,500.00
Carl Kruschinsky	17,689.72	-	-	-	-	810.28	18,500.00
MidAmerica National Bank Endowment	182,035.40	-	-	-	-	(2,035.40)	180,000.00
Mildred & Emory Brott	123,027.11	-	-	-	-	4,972.89	128,000.00
Mr. & Mrs. Gus Miller	51,951.02	-	-	-	-	38,158.98	90,110.00
Francis & Dorothea McPheeters	21,118.30	-	-	-	-	881.70	22,000.00
Molly O'Brien	6,855.00	-	-	-	-	945.00	7,800.00
George E. & Verda Mae Poland	4,547.46	-	-	-	-	452.54	5,000.00
PMT Endowment	12,406.07	-	-	-	-	593.93	13,000.00
J. Marshall & Helen Quick Scholarship	92,582.00	-	-	-	-	(92,582.00)	-
Sherman Reed Trust Scholarship	14,848.89	-	-	-	-	(14,348.89)	500.00
Robert Smolich Estate	10,690.00	-	-	-	-	(190.00)	10,500.00
Louise Wood Endowment	9,051.62	-	-	-	-	(51.62)	9,000.00
W. I. Taylor	5,427.09	-	-	-	-	572.91	6,000.00
Mr. & Mrs. Glen Rogers Endowment	-	-	-	-	-	12,778.00	12,778.00
Mr. & Mrs. Glen Rogers General Endowment	224,263.25	-	-	-	-	(2,263.25)	222,000.00
J. Marshall & Helen Quick - Title III Match	-	-	-	-	-	90,000.00	90,000.00
Sherman Reed Trust - Title III Match	-	-	-	-	-	7,500.00	7,500.00
Title III Endowment	90,000.00	-	-	-	-	(90,000.00)	-
Title III Endowment Match	-	30,000.00	-	-	-	90,000.00	120,000.00
McPheeters Campaign - Title III Match	-	150.00	-	-	-	-	150.00
Total permanently restricted	<u>1,029,564.34</u>	<u>30,150.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000.00</u>	<u>1,079,714.34</u>
<u>Board Designated - Endowment</u>							
Title III Match	-	-	-	-	-	22,500.00	22,500.00
Various	15,570.00	-	-	-	-	(15,570.00)	-
Total board designated - endowment	<u>15,570.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,930.00</u>	<u>22,500.00</u>
Totals	<u>\$ 1,370,446.83</u>	<u>303,911.08</u>	<u>(10,696.47)</u>	<u>63,896.84</u>	<u>99,946.03</u>	<u>-</u>	<u>1,499,818.57</u>