

POSTPARTUM SUPPORT
INTERNATIONAL
APRIL 30, 2012 AND 2011
FINANCIAL STATEMENTS



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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POSTPARTUM SUPPORT INTERNATIONAL

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January 3, 2013

ACCOUNTANTS' COMPILATION REPORT

**To the Board of Directors
Postpartum Support International:**

We have compiled the accompanying statement of financial position of Postpartum Support International (a non-profit corporation) as of April 30, 2012 and 2011, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilations in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We are not independent with respect to Postpartum Support International.

POSTPARTUM SUPPORT INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
April 30, 2012 and 2011
(Unaudited - See Accountants' Compilation Report)

	<u>ASSETS</u>	
	<u>2012</u>	<u>2011</u>
Current Assets:		
Cash and cash equivalents	\$ 173,929	\$ 157,728
Accounts receivable	8,846	288
Deposits and prepaid expenses	2,633	1,508
Total current assets	<u>185,408</u>	<u>159,524</u>
Equipment	2,298	2,298
Less accumulated depreciation	<u>(2,298)</u>	<u>(2,298)</u>
Net property and equipment	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 185,408</u>	<u>\$ 159,524</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable and accrued expenses	\$ 538	\$ 704
Deferred revenue	19,245	-
Total current liabilities	<u>19,783</u>	<u>704</u>
Net Assets:		
Unrestricted	<u>165,625</u>	<u>158,820</u>
Total net assets	<u>165,625</u>	<u>158,820</u>
Total Liabilities and Net Assets	<u>\$ 185,408</u>	<u>\$ 159,524</u>

See accompanying notes

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POSTPARTUM SUPPORT INTERNATIONAL
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Years Ended April 30, 2012 and 2011
(Unaudited - See Accountants' Compilation Report)

	<u>2012</u>	<u>2011</u>
Special Event Revenue:		
Gross revenue	\$ 102,385	\$ 129,218
Direct expenses	(48,705)	(68,798)
Total special event revenue, net	<u>53,680</u>	<u>60,420</u>
Public Support and Other Revenue:		
Contributions	19,844	20,030
Grants	-	14,800
In-kind contributions	5,929	12,488
Membership	33,773	38,188
Conference income	29,902	13,997
Program service income	30,369	51,682
Miscellaneous income	2,014	1,002
Total public support and other revenue	<u>121,831</u>	<u>152,187</u>
Total special event revenue, public support and other revenue	<u>175,511</u>	<u>212,607</u>
Expenses:		
Program services	107,343	98,115
Management and general	54,745	59,902
Fundraising	6,618	7,775
Total expenses	<u>168,706</u>	<u>165,792</u>
Change in net assets	6,805	46,815
Net assets at beginning of year	<u>158,820</u>	<u>112,005</u>
Net assets at end of year	<u>\$ 165,625</u>	<u>\$ 158,820</u>

See accompanying notes

POSTPARTUM SUPPORT INTERNATIONAL
STATEMENT OF FUNCTIONAL EXPENSES
For the Years Ended April 30, 2012 and 2011
(Unaudited - See Accountants' Compilation Report)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2012 Total</u>	<u>2011 Total</u>
Bank fees	\$ -	\$ 2,222	\$ -	\$ 2,222	\$ 2,215
Board development	1,174	3,523	-	4,697	8,887
Bookkeeping service	-	3,900	-	3,900	3,600
Consultant Fees	2,600	-	-	2,600	-
Depreciation	-	-	-	-	339
Dues and subscriptions	-	100	-	100	50
Grants	7,224	-	-	7,224	5,510
Insurance	598	2,018	101	2,717	2,688
Licenses and permits	-	251	-	251	85
Miscellaneous	-	22	-	22	454
Newsletter	683	-	-	683	1,680
Office expenses	1,870	935	934	3,739	4,178
Payroll expense	28,992	32,771	4,899	66,662	69,282
Postage and delivery	3,423	369	369	4,161	8,964
PPD awareness	2,914	-	-	2,914	820
PPD support and training	800	-	-	800	11,000
Printing, reproduction and publications	11,653	-	-	11,653	15,514
Professional fees	-	5,058	-	5,058	4,519
PSI conference	28,121	-	-	28,121	5,273
PSI video	9,077	-	-	9,077	6,672
Rent	4,914	1,071	315	6,300	6,825
Telephone	613	612	-	1,225	2,818
Utilities	1,894	1,893	-	3,787	3,939
Website	793	-	-	793	480
Totals	<u>\$ 107,343</u>	<u>\$ 54,745</u>	<u>\$ 6,618</u>	<u>\$ 168,706</u>	<u>\$ 165,792</u>

See accompanying notes

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POSTPARTUM SUPPORT INTERNATIONAL
STATEMENT OF CASH FLOWS
For the Years Ended April 30, 2012 and 2011
(Unaudited - See Accountants' Compilation Report)

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 6,805	\$ 46,815
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	339
(Increase) decrease in:		
Accounts receivable	(8,558)	-
Deposits and prepaid expenses	(1,125)	345
Increase (decrease) in:		
Accounts payable and accrued expenses	(166)	(591)
Deferred revenue	19,245	-
Net Cash Provided by Operating Activities	<u>16,201</u>	<u>46,908</u>
Increase in Cash and Cash Equivalents	16,201	46,908
Cash and Cash Equivalents at Beginning of Year	<u>157,728</u>	<u>110,820</u>
Cash and Cash Equivalents at End of Year	<u>\$ 173,929</u>	<u>\$ 157,728</u>

See accompanying notes

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POSTPARTUM SUPPORT INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
(Unaudited - See Accountants' Compilation Report)

Note 1 - Nature of Organization

Postpartum Support International (the Organization), a non-profit corporation, was incorporated as a California nonprofit corporation. The Organization was formed to provide support and education for perinatal mood disorders. The Organization's programs include:

Annual Conference

The Organization's annual conference provides a venue for self-help volunteers and health professionals to network worldwide; share, gain and bring back information to their local communities on the best way to help women and their families cope with perinatal mood and anxiety disorders.

Support Network

The Organization provides a social support network: Postpartum Support International members and area coordinators in 50 states and 35 countries worldwide who provide emotional support through groups, educational information and referral to local professionals for postpartum families in their areas.

Educational Resources

The Organization provides postpartum support training to professionals and lay volunteers. The Organization hosts a website at www.postpartum.net that provides information on forms of perinatal mood and anxiety disorders along with referrals to local resources for consumers and professionals.

Note 2 - Summary of Significant Accounting Policies

A) Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting.

B) Basis of Presentation

The accounting and reporting method used by the Organization classifies resources by their nature and purpose, based on the presence or absence of donor-imposed restrictions, into three classes of net assets:

Unrestricted Net Assets

The unrestricted group of net assets represents unrestricted resources available for current support of the Organization's activities. Designations by the Board of Directors are included in unrestricted net assets.

POSTPARTUM SUPPORT INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
(Unaudited - See Accountants' Compilation Report)

Note 2 - Summary of Significant Accounting Policies (Continued)

Temporarily Restricted Net Assets

Temporarily restricted net assets include gifts which may be fully expended but have been restricted by donors for certain purposes or are subject to time restrictions. Donor restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

Permanently Restricted Net Assets

Permanently restricted net assets include gifts and endowment funds, which require by donor restriction that the corpus be invested in perpetuity and only the income be made available to the Organization for use in accordance with donor restrictions.

C) Income Taxes

The Organization is organized as a California nonprofit corporation and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization has not been classified as a private foundation as defined by the Internal Revenue Code.

In the fiscal year ended April 2010, the Organization adopted the accounting for uncertainty in income tax provisions contained within accounting principles generally accepted in the United States of America ("GAAP"). This guidance requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization's financial statements to determine whether the tax positions are more likely than not of being sustained by the applicable tax authority. Tax positions not deemed to meet the more likely than not threshold would be recorded as a tax benefit or expense in the current year. Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. However, the conclusions regarding accounting for uncertainty in income taxes will be subject to review and may be adjusted at a later date based on factors including, but not limited to, ongoing analysis of tax laws, regulations, and interpretations thereof.

The Organization files income tax returns in the U.S. federal jurisdiction and in the states of California and Oregon. The Foundation is no longer subject to U.S. federal tax authorities for the years before 2008 and for state tax authorities for years before 2007.

D) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Organization to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates include the estimated useful lives of equipment and allocation of costs by function.

POSTPARTUM SUPPORT INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
(Unaudited - See Accountants' Compilation Report)

Note 2 - Summary of Significant Accounting Policies (Continued)

E) Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

F) Property and Equipment

Property and equipment are recorded at cost with depreciation calculated using the straight line method over the estimated useful lives of the assets, which is three years. The Organization's policy is to capitalize equipment with a life greater than one year if the cost exceeds \$1,000.

G) Donor Restrictions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the statement of activities.

The Organization reports gifts of property and equipment (or other long-lived assets) as unrestricted contributions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted contributions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

H) Functional Allocation of Expenses

The costs of providing the various programs and other supporting services have been summarized on a functional basis in the statement of functional expenses. Expenses that can be specifically identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on time spent in the various functions as estimated by the Organization's management.

I) Donated Services

No amounts are reflected in the financial statements for donated services since no objective basis is available to measure the value of such services. However, a substantial number of volunteers, including the Board of Directors, have donated significant amounts of their time to the Organization.

POSTPARTUM SUPPORT INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
(Unaudited - See Accountants' Compilation Report)

Note 2 - Summary of Significant Accounting Policies (Continued)

J) Deferred revenue

Deferred revenue primarily represents payments made by medical professionals in advance for professional training to be received at a later date. Training revenues are recognized as the service is performed.

Note 3 - Concentrations of Credit and Market Risk

As of April 30, 2012 and 2011, cash and cash equivalents consisted of the following balances:

	<u>2012</u>	<u>2011</u>
Bank of America (checking)	\$ 152,018	\$ 132,941
Bank of America (maximizer account)	21,911	24,787
Total cash and cash equivalents	<u>\$ 173,929</u>	<u>\$ 157,728</u>

There are no balances in excess of the \$250,000 per institution insured by the FDIC. The Organization has not experienced any losses on these accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Organization received approximately 17% and 7% of its revenue from its annual conference for the fiscal years ending April 30, 2012 and 2011, respectively.

Note 4 - Operating Lease

On January 15, 2008, the Organization entered into a lease agreement for office space located in Santa Barbara, California. The lease was for a 1 year term commencing February 1, 2008 and terminating January 31, 2009. Beginning February 1, 2009, the lease converted to a month to month lease. Monthly rent payments were due in the amount of \$525. This agreement was terminated in August 2010, when the Organization relocated its headquarters to Portland, Oregon. The Organization now leases office space from an employee on a month to month basis, for \$525 per month.

Note 5 - Reclassifications

Certain reclassifications have been made to prior year balances in order to conform to current year presentation.

Note 6 - Subsequent Events

Subsequent events have been evaluated through January 3, 2013, the date the financial statements were available to be issued.