

**Financial Information & Service Center, Inc.
d/b/a Consumer Credit Counseling Service
of Northeastern Wisconsin**

Menasha, Wisconsin

Consolidated Financial Statements

Years Ended December 31, 2009 and 2008

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Financial Statements

Years Ended December 31, 2009 and 2008

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Independent Auditor's Report

Board of Directors
Financial Information & Service Center, Inc.
d/b/a Consumer Credit Counseling Service of
Northeastern Wisconsin
Menasha, Wisconsin

We have audited the accompanying consolidated statements of financial position of Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin (FISC) as of December 31, 2009 and 2008, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of the Organization's management. 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. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of FISC at December 31, 2009 and 2008, and the results of its operations and changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Wipfli LLP

Wipfli LLP

April 12, 2010
Madison, Wisconsin

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statements of Financial Position

December 31, 2009 and 2008

<i>Assets</i>	2009	2008
Current assets:		
Cash	\$ 35,840	\$ 20,947
Restricted cash, Payment Partner program	236,831	96,478
Accounts receivable	201,558	289,759
Due from Goodwill Industries	62,524	0
Total current assets	536,753	407,184
Property and equipment - Net	72,644	300,654
TOTAL ASSETS	\$ 609,397	\$ 707,838
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 0	\$ 1,516
Funds managed for others	236,831	96,478
Due to Goodwill Industries	0	142,286
Total current liabilities	236,831	240,280
Net assets:		
Unrestricted	110,178	177,799
Temporarily restricted	262,388	289,759
Total net assets	372,566	467,558
TOTAL LIABILITIES AND NET ASSETS	\$ 609,397	\$ 707,838

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Activities

Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$ 184,977	\$ 261,500	\$ 446,477
Fair share fees	112,212	0	112,212
Counseling fees	209,313	0	209,313
Payment Partner fees	53,540	0	53,540
Net assets released from restrictions	288,871	(288,871)	0
Total support and revenue	848,913	(27,371)	821,542
Expenses:			
Program expenses:			
Financial Information & Service Center, Inc.	572,563	0	572,563
Consumer Credit Counseling Service of Northeastern Wisconsin	101,194	0	101,194
Money Management Education Associates	86,676	0	86,676
Total program expenses	760,433	0	760,433
Management and general	156,101	0	156,101
Total expenses	916,534	0	916,534
Change in net assets	(67,621)	(27,371)	(94,992)
Net assets at beginning	177,799	289,759	467,558
Net assets at end	\$ 110,178	\$ 262,388	\$ 372,566

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Activities

Year Ended December 31, 2008

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$ 241,553	\$ 288,356	\$ 529,909
Fair share fees	106,995	0	106,995
Counseling fees	195,289	0	195,289
Payment Partner fees	25,299	0	25,299
Net assets released from restrictions	226,450	(226,450)	0
Total support and revenue	795,586	61,906	857,492
Expenses:			
Program expenses:			
Financial Information & Service Center, Inc.	526,312	0	526,312
Consumer Credit Counseling Service of Northeastern Wisconsin	117,565	0	117,565
Money Management Education Associates	74,895	0	74,895
Total program expenses	718,772	0	718,772
Management and general	132,971	0	132,971
Total expenses	851,743	0	851,743
Change in net assets	(56,157)	61,906	5,749
Net assets at beginning	233,956	227,853	461,809
Net assets at end	\$ 177,799	\$ 289,759	\$ 467,558

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statements of Cash Flows

Years Ended December 31, 2009 and 2008

	2009	2008
Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	\$ (94,992)	\$ 5,749
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	17,143	20,991
Loss on disposal of property and equipment	39,868	0
Changes in operating assets and liabilities:		
Accounts receivable	88,201	(98,706)
Prepaid expenses	0	333
Restricted cash, Payment Partner program	140,353	96,478
Funds managed for others	(140,353)	(96,478)
Due to Goodwill Industries	(142,286)	88,425
Due from Goodwill Industries	(62,524)	0
Accounts payable	(1,516)	(1,139)
Total adjustments	(61,114)	9,904
Net cash provided by (used in) operating activities	(156,106)	15,653
Cash flow from investing activities:		
Purchase of property and equipment	(47,338)	(7,806)
Proceeds from sale of property	218,337	0
Net cash provided by (used in) investing activities	170,999	(7,806)
Net increase in cash	14,893	7,847
Cash at beginning	20,947	13,100
Cash at end	\$ 35,840	\$ 20,947

See accompanying notes to consolidated financial statements.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Functional Expenses

Year Ended December 31, 2009

	Program Expenses				Total
	Financial Information & Service Center, Inc.	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	
Salaries and wages	\$ 320,033	\$ 57,556	\$ 50,522	\$ 90,668	\$ 518,779
Payroll taxes and benefits	98,769	18,352	15,969	25,840	158,930
Professional fees	20,901	4,154	2,004	5,382	32,441
Dues and subscriptions	7,279	1,987	0	1,874	11,140
Supplies	16,307	1,495	2,242	4,199	24,243
Telephone	9,649	810	80	2,484	13,023
Postage	2,798	3,811	3,323	721	10,653
Insurance	3,823	1,728	351	985	6,887
Utilities	1,354	388	0	349	2,091
Equipment	11,883	1,988	2,212	3,060	19,143
Printing and publications	3,517	0	0	905	4,422
Travel	10,285	1,175	2,026	2,648	16,134
Conferences and training	3,760	100	200	968	5,028
Bank fees	2,287	5,904	7,524	589	16,304
Taxes and permits	2,181	303	0	562	3,046
Advertising	10,006	0	0	2,577	12,583
Depreciation	13,633	0	0	3,510	17,143
Loss on disposal of property and equipment	31,704	0	0	8,164	39,868
Miscellaneous	2,394	1,443	223	616	4,676
Total functional expenses	\$ 572,563	\$ 101,194	\$ 86,676	\$ 156,101	\$ 916,534

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Functional Expenses

Year Ended December 31, 2008

	Program Expenses				Total
	Financial Information & Service Center, Inc.	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	
Salaries and wages	\$ 322,570	\$ 69,461	\$ 48,172	\$ 77,618	\$ 517,821
Payroll taxes and benefits	93,048	21,042	13,372	22,121	149,583
Professional fees	19,623	1,089	3,150	5,891	29,753
Dues and subscriptions	724	8,354	0	218	9,296
Supplies	20,854	2,553	1,831	6,261	31,499
Telephone	6,131	817	599	1,841	9,388
Postage	2,447	2,745	1,375	734	7,301
Insurance	3,968	1,687	254	1,191	7,100
Utilities	2,400	1,042	10	721	4,173
Equipment	10,894	791	630	3,271	15,586
Printing and publications	2,126	0	0	638	2,764
Travel	8,667	298	629	2,602	12,196
Conferences and training	737	0	0	221	958
Bank fees	1,241	5,834	3,951	372	11,398
Taxes and permits	5,095	1,852	33	1,529	8,509
Advertising	7,256	0	0	2,179	9,435
Depreciation	16,144	0	0	4,847	20,991
Miscellaneous	2,387	0	889	716	3,992
Total functional expenses	\$ 526,312	\$ 117,565	\$ 74,895	\$ 132,971	\$ 851,743

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies

Organization Activity

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin is a nonprofit Wisconsin corporation organized for the purpose of assisting and educating people in the management of personal finances through the following programs:

- Financial Information & Service Center, Inc. - To counsel and educate individuals, primarily those with negative net worth, about finances, including money management, debt, credit, and withholding taxes.
- Consumer Credit Counseling Service of Northeastern Wisconsin - To assist individuals in their debt management with consumer creditors.

Money Management Education Associates (MMEA) is a nonprofit Wisconsin corporation organized to equip people to take responsibility for their financial well-being through financial education, planning, and personal management services through the following programs:

- Money Management Education Associates - To provide money management information, basic investment education, and successful planning for the future to people primarily with positive net worth.
- Payment Partner - To assist individuals who are not capable of managing their finances, beneficiaries of social security, supplemental income, veterans' benefits, pension, and wages.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 **Summary of Significant Accounting Policies** (Continued)

Principles of Consolidation

FISC and MMEA (collectively referred to as the "Organization") have common board members and management and are therefore consolidated. All significant intercompany accounts and transactions have been eliminated in preparing the consolidated financial statements.

The Organization is related to Goodwill Industries of North Central Wisconsin, Inc. ("Goodwill Industries"), a nonprofit Wisconsin corporation through common board members and management. A separate audit report has been issued for this entity.

Basis of Presentation

The consolidated financial statements have been presented in accordance with a financial accounting standard that requires the Organization to report information regarding its financial position and activities according to three classes of net assets:

- *Unrestricted net assets* are the net assets of the Organization that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- *Temporarily restricted net assets* are those whose use by the Organization has been limited by donors to a specific time period or purpose. When a restriction is met or expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- *Permanently restricted net assets* are those restricted by donors to be maintained by the Organization in perpetuity. The Organization does not currently have any permanently restricted net assets.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 **Summary of Significant Accounting Policies** (Continued)

Property, Equipment, and Depreciation

Property and equipment are carried at cost. Depreciation is computed on the straight-line method for financial reporting purposes based on the estimated useful lives of the assets. Estimated useful lives are 30 years for the building and range from 3 to 10 years for equipment.

Contributed Services

No amounts have been reflected in the consolidated financial statements for donated services since no objective basis is available to measure the value of such services.

Functional Allocation of Expenses

Expenses are charged to each program based on direct expenditures incurred. Support service expenses are allocated to program services systematically based on the program benefited. The Organization considers all of the programs and services offered to be functionally related.

Use of Estimates in Preparation of Financial Statements

The preparation of the accompanying consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

Advertising

Advertising costs are expensed as incurred.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 **Summary of Significant Accounting Policies** (Continued)

Tax Status

FISC and MMEA are nonprofit organizations as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. FISC and MMEA are also exempt from state income taxes on related income.

Reclassifications

Certain reclassifications have been made to the 2008 consolidated financial statements to conform to the 2009 classifications. There was no effect on net assets.

Subsequent Events

Subsequent events have been evaluated through April 12, 2010, which is the date the consolidated financial statements were available to be issued.

Note 2 **Restricted Cash and Funds Managed for Others**

In 2008, MMEA began operating Payment Partner, a representative service and bill pay service. Amounts are paid on behalf of the individuals under these programs, and the residual balance of funds is retained by MMEA. These funds are held on behalf of the individuals and are reflected as restricted cash and funds managed for others on the consolidated statement of financial position. The balance of restricted cash and funds managed for others totaled \$236,831 and \$96,478 for the years ended December 31, 2009 and 2008, respectively.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 3 Property and Equipment

Property and equipment consisted of the following at December 31:

	2009	2008
Land	\$ 0	\$ 30,000
Building and improvements	57,122	358,095
Equipment	64,638	45,501
Total property and equipment	121,760	433,596
Less - Accumulated depreciation	49,116	132,942
Property and equipment - Net	\$ 72,644	\$ 300,654

Note 4 Related-Party Transactions

FISC is a subsidiary of Goodwill Industries; however, FISC continues to maintain its own corporate identity. FISC, MMEA, and Goodwill Industries share common board members. All employees for the organizations are employed by Goodwill Industries. The salaries and wages and other direct expenses pertaining to these organizations are allocated to the Organization based on actual costs. Significant purchases of assets and proceeds from the sale are also allocated to the Organization. At December 31, 2009 and 2008, the Organization had a receivable from Goodwill Industries of \$62,524 and a payable due to Goodwill Industries of \$142,286, respectfully. Office space and administrative support are also provided by Goodwill Industries at no charge to the Organization.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 5 Retirement Plan

All employees who provide services for FISC can participate in Goodwill Industries' pension plan, subject to eligibility requirements. Goodwill Industries has a defined contribution pension plan covering substantially all employees who work at least 1,000 hours during the plan year. The plan provides for a matching contribution by Goodwill Industries equal to 50% of the employee's total contribution with the maximum contribution being equal to 3% of the employee's total compensation. In addition, Goodwill Industries makes a safe harbor contribution of 3%. Pension expense paid to Goodwill Industries totaled \$23,784 and \$21,112 for the years ended December 31, 2009 and 2008, respectively.

Note 6 Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes at December 31:

	2009	2008
Future periods	\$ 261,500	\$ 288,940
Other	888	819
Totals	<u>\$ 262,388</u>	<u>\$ 289,759</u>

Note 7 Trust Fund

FISC maintains a separate client trust account included in cash on the consolidated statements of financial position entitled CCCS Trust Fund with a balance of \$13,000 at December 31, 2009 and 2008.

