

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

Menasha, Wisconsin

**Financial Statements**

Years Ended December 31, 2006 and 2005

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

## Financial Statements

Years Ended December 31, 2006 and 2005

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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 statements of financial position of Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin as of December 31, 2006 and 2005, and the related 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 financial statements referred to above present fairly, in all material respects, the financial position of Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin at December 31, 2006 and 2005, 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.

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

April 3, 2007  
Green Bay, Wisconsin

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

## Statements of Financial Position

December 31, 2006 and 2005

<i>Assets</i>	2006	2005
Current assets:		
Cash	\$17,034	\$13,105
Prepaid expenses	5,632	450
Total current assets	22,666	13,555
Assets limited as to use	226,338	224,283
Property and equipment - Net	327,100	240,866
<b>TOTAL ASSETS</b>	<b>\$576,104</b>	<b>\$478,704</b>
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accrued expenses and other liabilities	\$4,267	\$0
Due to Goodwill Industries	67,290	37,545
Total current liabilities	71,557	37,545
Net assets:		
Unrestricted	278,209	216,876
Temporarily restricted	226,338	224,283
Total net assets	504,547	441,159
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$576,104</b>	<b>\$478,704</b>

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

## Statement of Activities

Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$189,991	\$226,051	\$416,042
Program fees	271,042	0	271,042
Miscellaneous	6,993	0	6,993
Net assets released from restrictions	223,996	(223,996)	0
<b>Total support and revenue</b>	<b>692,022</b>	<b>2,055</b>	<b>694,077</b>
Expenses:			
Program expenses:			
Financial Information & Service Center	453,857	0	453,857
Consumer Credit Counseling Service of Northeastern Wisconsin	130,335	0	130,335
Money Management Education Associates	976	0	976
Management and general	147,770	0	147,770
<b>Total expenses</b>	<b>732,938</b>	<b>0</b>	<b>732,938</b>
Excess (deficiency) of revenue over expenses	(40,916)	2,055	(38,861)
Other change in net assets - Capital transfer from Goodwill Industries (see Note 2)	102,249	0	102,249
Change in net assets	61,333	2,055	63,388
Net assets at beginning	216,876	224,283	441,159
<b>Net assets at end</b>	<b>\$278,209</b>	<b>\$226,338</b>	<b>\$504,547</b>

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

## Statement of Activities

Year Ended December 31, 2005

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$137,638	\$223,859	\$361,497
Program fees	233,295	0	233,295
Miscellaneous	3,825	0	3,825
Net assets released from restrictions	223,394	(223,394)	0
<b>Total support and revenue</b>	<b>598,152</b>	<b>465</b>	<b>598,617</b>
Expenses:			
Program expenses:			
Financial Information & Service Center	399,067	0	399,067
Consumer Credit Counseling Service of Northeastern Wisconsin	110,026	0	110,026
Money Management Education Associates	932	0	932
Management and general	153,899	0	153,899
<b>Total expenses</b>	<b>663,924</b>	<b>0</b>	<b>663,924</b>
Excess (deficiency) of revenue over expenses	(65,772)	465	(65,307)
Other change in net assets - Capital transfer from Goodwill Industries (see Note 2)	190,182	0	190,182
Change in net assets	124,410	465	124,875
Net assets at beginning	92,466	223,818	316,284
<b>Net assets at end</b>	<b>\$216,876</b>	<b>\$224,283</b>	<b>\$441,159</b>

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

## Statements of Cash Flows

Years Ended December 31, 2006 and 2005

	2006	2005
Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	\$63,388	\$124,875
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	21,438	20,353
Transfer of property from Goodwill Industries	(102,249)	(190,182)
Changes in operating assets and liabilities:		
Account receivable	0	1,250
Prepaid expenses	(5,182)	3,648
Due to Goodwill Industries	29,745	62,271
Accrued expenses and other liabilities	4,267	(21,438)
Total adjustments	(51,981)	(124,098)
Net cash provided by operating activities	11,407	777
Cash flows from investing activities:		
Purchase of equipment	(5,423)	(990)
Change in assets limited as to use	(2,055)	(465)
Net cash used in investing activities	(7,478)	(1,455)
Net increase (decrease) in cash	3,929	(678)
Cash at beginning	13,105	13,783
Cash at end	\$17,034	\$13,105

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

## Statement of Functional Expenses

Year Ended December 31, 2006

	Financial Information & Service Center	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	Total
Salaries and wages	\$287,677	\$74,711	\$0	\$93,178	\$455,566
Payroll taxes and benefits	72,599	19,425	0	24,226	116,250
Professional fees	1,396	4,475	0	453	6,324
Dues and subscriptions	1,398	7,391	0	454	9,243
Supplies	17,561	2,295	0	5,698	25,554
Telephone	2,937	479	0	953	4,369
Postage	3,231	2,962	0	1,049	7,242
Insurance	10,729	1,348	976	3,481	16,534
Utilities	2,793	862	0	906	4,561
Equipment	9,854	1,213	0	3,197	14,264
Printing and publications	1,144	0	0	371	1,515
Travel	6,879	311	0	2,232	9,422
Conferences and training	2,532	8	0	822	3,362
Bank fees	270	5,861	0	88	6,219
Interest	19	0	0	6	25
Taxes and permits	341	9,081	0	111	9,533
Advertising	13,983	84	0	4,537	18,604
Depreciation	16,186	0	0	5,252	21,438
Miscellaneous	2,328	(171)	0	756	2,913
<b>Total functional expenses</b>	<b>\$453,857</b>	<b>\$130,335</b>	<b>\$976</b>	<b>\$147,770</b>	<b>\$732,938</b>

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

## Statement of Functional Expenses

Year Ended December 31, 2005

	Financial Information & Service Center	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	Total
Salaries and wages	\$252,959	\$63,382	\$0	\$98,379	\$414,720
Payroll taxes and benefits	60,580	16,262	0	25,972	102,814
Professional fees	2,693	2,135	0	1,501	6,329
Dues and subscriptions	1,475	6,288	0	459	8,222
Supplies	5,672	1,935	0	2,366	9,973
Telephone	2,856	279	0	975	4,110
Postage	6,360	2,533	0	2,766	11,659
Insurance	4,517	1,132	932	2,047	8,628
Utilities	2,806	0	0	872	3,678
Equipment	9,517	0	0	2,959	12,476
Printing and publications	1,150	0	0	358	1,508
Travel	5,601	572	0	1,919	8,092
Conferences and training	1,539	150	0	525	2,214
Bank fees	0	6,475	0	0	6,475
Taxes and permits	5,477	9,060	0	1,703	16,240
Advertising	10,979	288	0	3,504	14,771
Depreciation	15,525	0	0	4,828	20,353
Miscellaneous	9,361	(465)	0	2,766	11,662
<b>Total functional expenses</b>	<b>\$399,067</b>	<b>\$110,026</b>	<b>\$932</b>	<b>\$153,899</b>	<b>\$663,924</b>

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

## Notes to Financial Statements

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### Note 1      Summary of Significant Accounting Policies

#### Organization Activity

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

- Financial Information & Service Center - 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 - To provide money management information, basic investment education, and successful planning for the future to people primarily with positive net worth.

The Organization is a subsidiary of Goodwill Industries of North Central Wisconsin, Inc. ("Goodwill Industries"), a nonprofit Wisconsin corporation.

#### Basis of Presentation

The financial statements have been presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required 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 on the statement of activities as net assets released from restrictions.

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

## Notes to Financial Statements

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

#### Basis of Presentation (Continued)

- *Permanently restricted net assets* have been restricted by donors to be maintained by the Organization in perpetuity. The Organization does not currently have any permanently restricted net assets.

#### 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 range from 30 years for the building and 3 to 10 years for equipment.

#### Contributed Services

No amounts have been reflected in the 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 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.

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

## Notes to Financial Statements

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

#### Tax Status

The Organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the code. The Organization is also exempt from state income taxes on related income.

### Note 2      Transfer of Property

In 2006 and 2005, the property used in the operation of the Organization was transferred from Goodwill Industries at book value. The value of the assets transferred is reflected on the statements of activities as an other change in net assets in the amount of \$102,249 and \$190,182 in 2006 and 2005, respectively. The transfer is also reflected in Note 5.

### Note 3      Assets Limited as to Use

Assets limited as to use consisted of the following at December 31, 2006 and 2005:

	2006	2005
Unconditional promises to give - United Way contribution restricted for future years' expenditures	\$222,720	\$222,720
Cash and loan receivable	3,618	1,563
Totals	<u>\$226,338</u>	<u>\$224,283</u>

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

## Notes to Financial Statements

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### Note 4 Property and Equipment

Property and equipment consisted of the following at December 31, 2006 and 2005:

	2006	2005
Land	\$30,000	\$30,000
Building	356,459	259,687
Equipment	66,118	36,100
Total property and equipment	452,577	325,787
Less - Accumulated depreciation	125,477	84,921
Property and equipment - Net	\$327,100	\$240,866

### Note 5 Related-Party Transactions

During 2002, the Organization merged with Goodwill Industries; however, the Organization continues to maintain its own corporate identity. The Organization and Goodwill Industries share common Board members. All employees for both organizations are employed by Goodwill Industries. The salaries and wages and other direct expenses pertaining to the Organization are allocated to the Organization based on actual costs. At December 31, 2006 and 2005, the Organization had a payable to Goodwill Industries of \$67,290 and \$37,545, respectively. Office space and administrative support are also provided by Goodwill Industries at no charge to the Organization. In 2006 and 2005, property associated with the Organization was transferred from Goodwill Industries (see Note 2).

### Note 6 Retirement Plan

The Organization 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 the Organization 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, the Organization can make a discretionary contribution in an amount determined annually by the Board of Directors, which was 3% in 2006 and 2005. Pension expense totaled \$22,355 and \$15,232 for the years ended December 31, 2006 and 2005, respectively.

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

## Notes to Financial Statements

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### Note 7 Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2006 and 2005, are available for the following purposes:

	2006	2005
Future periods	\$222,720	\$222,720
Indigent clientele	3,618	1,563
Totals	\$226,338	\$224,283

### Note 8 Reclassifications

Certain reclassifications have been made to the 2005 financial statements to conform to the 2006 classifications.