

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

Menasha, Wisconsin

Financial Statements

Years Ended December 31, 2007 and 2006

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

Financial Statements

Years Ended December 31, 2007 and 2006

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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 (the "Organization") as of December 31, 2007 and 2006, 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 the Organization at December 31, 2007 and 2006, 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 3, 2008
Madison, Wisconsin

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

Statements of Financial Position

December 31, 2007 and 2006

<i>Assets</i>	2007	2006
Current assets:		
Cash	\$13,100	\$17,034
Accounts receivable	191,053	226,338
Prepaid expenses	333	5,632
Total current assets	204,486	249,004
Property and equipment - Net	313,839	327,100
TOTAL ASSETS	\$518,325	\$576,104
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$2,655	\$4,267
Due to Goodwill Industries	53,861	67,290
Total current liabilities	56,516	71,557
Net assets:		
Unrestricted	233,956	278,209
Temporarily restricted	227,853	226,338
Total net assets	461,809	504,547
TOTAL LIABILITIES AND NET ASSETS	\$518,325	\$576,104

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

Statement of Activities

Year Ended December 31, 2007

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$208,669	\$227,066	\$435,735
Program fees	287,684	0	287,684
Miscellaneous	8,239	0	8,239
Net assets released from restrictions	225,551	(225,551)	0
Total support and revenue	730,143	1,515	731,658
Expenses:			
Program expenses:			
Financial Information & Service Center	492,193	0	492,193
Consumer Credit Counseling Service of Northeastern Wisconsin	131,185	0	131,185
Money Management Education Associates	1,002	0	1,002
Management and general	150,016	0	150,016
Total expenses	774,396	0	774,396
Excess (deficiency) of revenue over expenses	(44,253)	1,515	(42,738)
Other change in net assets - Capital transfer from Goodwill Industries (see Note 2)	0	0	0
Change in net assets	(44,253)	1,515	(42,738)
Net assets at beginning	278,209	226,338	504,547
Net assets at end	\$233,956	\$227,853	\$461,809

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
Total support and revenue	692,022	2,055	694,077
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
Total expenses	732,938	0	732,938
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
Net assets at end	\$278,209	\$226,338	\$504,547

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

Statements of Cash Flows

Years Ended December 31, 2007 and 2006

	2007	2006
Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	(\$42,738)	\$63,388
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	19,747	21,438
Transfer of property from Goodwill Industries	0	(102,249)
Changes in operating assets and liabilities:		
Account receivable	35,285	(2,055)
Prepaid expenses	5,299	(5,182)
Due to Goodwill Industries	(13,429)	29,745
Accounts payable	(1,612)	4,267
Total adjustments	45,290	(54,036)
Net cash provided by operating activities	2,552	9,352
Cash flows from investing activities:		
Purchase of equipment	(6,486)	(5,423)
Net cash used in investing activities	(6,486)	(5,423)
Change in cash	(3,934)	3,929
Cash at beginning	17,034	13,105
Cash at end	\$13,100	\$17,034

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

Statement of Functional Expenses

Year Ended December 31, 2007

	Financial Information & Service Center	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	Total
Salaries and wages	\$316,332	\$86,163	\$0	\$89,960	\$492,455
Payroll taxes and benefits	82,471	22,559	0	28,006	133,036
Professional fees	69	5,984	0	24	6,077
Dues and subscriptions	1,039	7,428	0	353	8,820
Supplies	17,626	1,116	0	5,985	24,727
Telephone	4,898	0	0	1,663	6,561
Postage	2,328	2,501	0	790	5,619
Insurance	4,104	1,468	1,002	1,734	8,308
Utilities	2,063	1,459	0	700	4,222
Equipment	13,291	1,117	0	4,513	18,921
Printing and publications	2,335	0	0	793	3,128
Travel	8,779	313	0	2,981	12,073
Conferences and training	2,751	0	0	934	3,685
Bank fees	3,459	0	0	1,174	4,633
Interest	0	0	0	0	0
Taxes and permits	1,109	200	0	376	1,685
Advertising	11,040	0	0	3,749	14,789
Depreciation	14,638	0	0	5,109	19,747
Miscellaneous	3,861	877	0	1,172	5,910
Total functional expenses	\$492,193	\$131,185	\$1,002	\$150,016	\$774,396

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
Total functional expenses	\$453,857	\$130,335	\$976	\$147,770	\$732,938

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

Notes to 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 (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 in the statements 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

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

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

Advertising

Advertising costs are expensed as incurred.

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, 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 in the statements of activities as an other change in net assets in the amount of \$102,249 in 2006. The transfer is also reflected in Note 4.

Note 3 **Property and Equipment**

Property and equipment consisted of the following at December 31:

	2007	2006
Land	\$30,000	\$30,000
Building	359,733	356,459
Equipment	36,026	66,118
Total property and equipment	425,759	452,577
Less - Accumulated depreciation	111,920	125,477
Property and equipment - Net	\$313,839	\$327,100

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

Notes to Financial Statements

Note 4 **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, 2007 and 2006, the Organization had a payable to Goodwill Industries of \$53,861 and \$67,290, respectively. Office space and administrative support are also provided by Goodwill Industries at no charge to the Organization. In 2006, property associated with the Organization was transferred from Goodwill Industries (see Note 2).

Note 5 **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 2007 and 2006. Pension expense totaled \$21,229 and \$22,355 for the years ended December 31, 2007 and 2006, respectively.

Note 6 **Temporarily Restricted Net Assets**

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

	2007	2006
Future periods	\$208,940	\$222,720
CPR software	18,400	0
Other	513	3,618
Totals	\$227,853	\$226,338

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

Notes to Financial Statements

Note 7 **Trust Fund**

The Organization maintains a separate client trust account entitled CCCS Trust Fund with a balance of \$13,000 at December 31, 2007 and 2006, respectively.

Note 8 **Reclassifications**

Certain reclassifications have been made to the 2006 financial statements to conform to the 2007 classifications. There was no effect on net assets.