

**ASSOCIATION OF WOMEN'S HEALTH,
OBSTETRIC AND NEONATAL NURSES**

**Financial Statements
and
Independent Auditor's Report**

December 31, 2008

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Activities and Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 – 13
OTHER FINANCIAL INFORMATION	
Independent Auditor's Report on Other Financial Information	15
Statement of Functional Revenue	16
Statement of Functional Expenses	17
Statement of Functional Program Services Expenses	18
Statement of Functional Supporting Services Expenses	19



CERTIFIED PUBLIC ACCOUNTANTS

STOKES & COMPANY, P.C.

1201 15TH STREET, NW
SUITE 340
WASHINGTON, D.C. 20005-2842

(202) 293-9000

FAX (202) 293-9666

WWW.STOKESPC.COM

LARRY F. STOKES, C.P.A.
MATTHEW F. PENNIMAN, C.P.A.

MEMBERS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

PRIVATE COMPANIES
PRACTICE SECTION

GOVERNMENTAL AUDIT
QUALITY CENTER

EMPLOYEE BENEFIT PLAN
AUDIT QUALITY CENTER

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Association of Women's Health, Obstetric and Neonatal Nurses

We have audited the accompanying statement of financial position of the Association of Women's Health, Obstetric and Neonatal Nurses (AWHONN) as of December 31, 2008, and the related statements of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of AWHONN's management. Our responsibility is to express an opinion on these financial statements based on our audit.

The prior year summarized comparative information has been derived from AWHONN's 2007 financial statements and in Tate & Tryon's audit report dated June 2, 2008, Tate & Tryon expressed an unqualified opinion on those financial statements.

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.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of AWHONN as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Stokes & Company, P.C.

STOKES & COMPANY, P.C.
Washington, D.C.

June 4, 2009

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Financial Position

December 31, 2008

(with comparative totals at December 31, 2007)

	<u>2008</u>	<u>2007</u>
<i>ASSETS</i>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,326,101	\$ 1,240,822
Investments	2,356,489	3,628,480
Accounts receivable, net	1,054,155	659,790
Prepaid expenses	156,993	155,665
Inventory	130,782	153,808
Deposits	52,583	60,849
	<hr/>	<hr/>
Total current assets	5,077,103	5,899,414
OTHER ASSETS		
Deferred compensation	9,266	9,266
PROPERTY AND EQUIPMENT, net	1,172,699	1,203,251
	<hr/>	<hr/>
Total assets	<u>\$ 6,259,068</u>	<u>\$ 7,111,931</u>
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 736,245	\$ 820,214
Deferred membership dues	1,276,834	1,210,200
Deferred revenue other	365,670	41,645
Accrued rent	-	42,242
	<hr/>	<hr/>
Total current liabilities	2,378,749	2,114,301
LONG-TERM LIABILITIES		
Deferred compensation	9,266	9,266
	<hr/>	<hr/>
Total liabilities	2,388,015	2,123,567
COMMITMENTS AND CONTINGENCIES		
	-	-
NET ASSETS		
Unrestricted	3,686,277	4,774,912
Temporarily restricted	184,776	213,452
	<hr/>	<hr/>
Total net assets	3,871,053	4,988,364
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 6,259,068</u>	<u>\$ 7,111,931</u>

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

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Activities and Changes in Net Assets

Year Ended December 31, 2008

(with comparative totals year ended December 31, 2007)

	2008		2007	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
SUPPORT AND REVENUE				
Strategic marketing and business development	\$ 5,090,381	\$ -	\$ 5,090,381	\$ -
Research, education and publications	1,392,900	20,000	1,412,900	255,000
Sections	884,250	-	884,250	-
Finance and administration	(579,339)	-	(579,339)	-
Executive office	1,128,484	-	1,128,484	-
Human resources	4,600	-	4,600	7,250
Client relations and operations	2,188,600	-	2,188,600	-
Total support and revenue	10,109,876	20,000	10,129,876	255,000
Net assets released from restrictions	48,676	(48,676)	-	(41,548)
Total support and revenue after release from restrictions	10,158,552	(28,676)	10,129,876	213,452
EXPENSES				
Program services				
Public affairs	340,030	-	340,030	-
Strategic marketing and business development	2,605,714	-	2,605,714	-
Research, education and publications	1,934,524	-	1,934,524	-
Sections	979,449	-	979,449	-
Total program services expenses	5,859,717	-	5,859,717	-
Supporting services				
Finance and administration	1,251,981	-	1,251,981	-
Executive office	1,763,170	-	1,763,170	-
Human resources	363,711	-	363,711	-
Client relations and operations	1,882,935	-	1,882,935	-
Total supporting services expenses	5,261,797	-	5,261,797	-
Total expenses	11,121,514	-	11,121,514	-
Change in net assets from operations	(962,962)	(28,676)	(991,638)	213,452
OTHER REVENUE AND EXPENSES				
Foreign exchange gain/(loss)	(3,667)	-	(3,667)	-
Income taxes	(86,980)	-	(86,980)	-
Change in cumulative foreign currency translation	(35,026)	-	(35,026)	-
Change in net assets	(1,088,635)	(28,676)	(1,117,311)	213,452
Net assets at beginning of year, restated	4,774,912	213,452	4,988,364	-
Net assets at end of year, restated	\$ 3,686,277	\$ 184,776	\$ 3,871,053	\$ 213,452

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

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Cash Flows

Year Ended December 31, 2008

(with comparative totals year ended December 31, 2007)

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Membership income received	\$ 3,267,206	\$ 2,965,203
Royalty income received	3,144,251	3,109,790
Convention income received	2,227,087	2,374,726
Interest and dividend income received	123,591	122,685
Other income received	2,351,615	2,278,867
Payments to vendors, suppliers, and employees	(10,870,850)	(10,050,542)
Income taxes paid	(86,980)	(35,402)
	<hr/>	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	155,920	765,327
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(3,032,416)	(1,016,822)
Proceeds from sale or maturity of investments	3,316,827	884,392
Purchases of property and equipment	(355,052)	(516,950)
	<hr/>	<hr/>
NET CASH USED BY INVESTING ACTIVITIES	(70,641)	(649,380)
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	85,279	115,947
CASH AND CASH EQUIVALENTS at beginning of year		
	<hr/>	<hr/>
	1,240,822	1,124,875
CASH AND CASH EQUIVALENTS at end of year		
	<hr/>	<hr/>
	\$ 1,326,101	\$ 1,240,822
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	\$ (1,117,311)	\$ 950,340
Adjustments		
Depreciation	385,604	362,034
Net realized and unrealized (gains) losses	987,580	59,620
(Increase) decrease in assets		
Accounts receivable	(394,365)	(498,684)
Prepaid expenses	(1,328)	43,471
Inventory	23,026	29,746
Deposits	8,266	(9,266)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(83,969)	92,521
Deferred membership dues	66,634	26,239
Deferred revenue	324,025	(224,327)
Deferred compensation	-	9,266
Accrued rent	(42,242)	(75,633)
	<hr/>	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 155,920	\$ 765,327
	<hr/>	<hr/>

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Association of Women's Health, Obstetric and Neonatal Nurses (AWHONN) is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. AWHONN prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when the underlying obligations are incurred.

2. Cash and cash equivalents

Cash is held in a non-interest bearing demand deposit account and in interest-bearing money fund accounts. For purposes of the statement of cash flows, AWHONN considers all short-term, highly liquid investments with initial maturities of three months or less to be cash equivalents. At various times during the year, balances exceeded the Federal Deposit Insurance Corporation (FDIC) insurance limit of \$250,000. As of December 31, 2008, the balances exceeded the FDIC limits by \$320,056. Management has never experienced a loss on any of its cash deposits and generally transfers money into investments that will not be used in current operations.

3. Investments

Investments are carried at fair market value, when that value is readily determinable or when the fair value option is elected, as specified in Note A12. For equity securities that either do not have a readily determinable market value or are not elected, the investments are carried at cost and tested for impairment, when estimable. Investment income, including realized and unrealized gains and losses, is included in the statement of activities and changes in net assets as unrestricted unless the donor or law restricts the income or loss.

4. Inventory

Inventory consists of publications held for sale, and is carried at the lower of cost or market value. Cost is determined using the first-in, first-out method. Appropriate consideration is given to obsolescence in evaluating net realizable value. Obsolete inventory is written off in the year it becomes obsolete. During the year ended December 31, 2008, \$14,759 of inventory was determined to be obsolete and was written off.

5. Property and equipment

Property and equipment are recorded at cost. All expenditures for property and equipment of \$500 or more are capitalized. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, which are generally five or ten years. When assets are retired or disposed of, the cost and related accumulated depreciation is removed from the accounting records and any gain or loss is reflected in income. Leasehold improvements are recorded at cost and amortized over the remaining life of the lease.

6. Revenue recognition

Membership dues are recognized as revenue in the applicable membership period. Any dues received pertaining to subsequent years is reflected as deferred revenue. Revenue related to the annual convention and educational conferences and meetings is recognized in the year of the conference or meeting, and any revenues related to any future conference or meetings are reflected as deferred revenue. Revenue from royalties is recognized in the applicable publication period.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Revenue recognition (continued)

Revenue from sales of products, publications and videos is reported as earned revenue when AWHONN has fulfilled its obligation under the terms of the sale. Investment income, including interest, dividends, realized gains/(losses) and unrealized gains/(losses), is included in revenue.

In accordance with Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions.

7. Accounts receivable

Accounts receivable includes program related revenue that has not been received as of December 31, 2008. No interest is accrued on receivables. Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. At December 31, 2008, the allowance for doubtful accounts amounted to \$11,200. The Association provides for losses on accounts receivable using the allowance method. The allowance is based on experience. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Association's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Each receivable balance is assessed based on management's knowledge of the customer, the relationship, and the age of the receivable balance.

8. Donated services and non-cash contributions

No amounts have been reflected in the financial statements for donated services, materials, or facilities. AWHONN generally pays for services requiring specific expertise. However, a substantial number of volunteers have donated significant amounts of their time in a capacity that does not meet the recognition criteria under SFAS No. 116.

9. Functional allocation of expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services benefited. Certain natural expense categories have been rounded to the nearest hundred dollars.

10. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

11. Advertising costs

Advertising costs for non-direct response advertising are expensed as incurred. Costs for the year ended December 31, 2008 were \$3,310.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

12. Fair value measurement

SFAS No. 157, *Fair Value Measurement*, became effective January 1, 2008. This statement provides a common definition of fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements, but does not require any new fair value measurements. All assets and liabilities required to be measured at fair value are assessed with the following three-tier hierarchy of inputs:

- Level 1 – quoted prices in active markets for identical instruments
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

Additionally, SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*, allows certain financial assets and liabilities to be reported at fair value.

13. Financial information at December 31, 2007

The financial information as of December 31, 2007 is presented for comparative purposes only and is not intended to represent complete financial statement presentation. Certain balances have been reclassified to conform to the current year's presentation.

NOTE B - ORGANIZATION AND TAX STATUS

Association of Women's Health, Obstetric and Neonatal Nurses (AWHONN) is a not-for-profit association dedicated to establishing and promoting the highest standards of women's health, obstetric and neonatal nursing practice, education and research. AWHONN was incorporated in August 1992, and received its exemption from federal income tax under section 501(c)(3) and is classified as other than a private foundation under Section 509(a)(1) of the Internal Revenue Code. AWHONN is, however, subject to income taxes on net profits generated by activities defined as unrelated business activities under applicable tax law and is also subject to goods and services taxes (GST) on activities carried out in Canada. Provisions for these taxes have been recorded for the year ended December 31, 2008.

The accompanying financial statements include the activities of AWHONN's headquarters and sections. AWHONN's support consists of membership dues, revenue from section activity, annual convention, sale of products and royalties. Members are located in all fifty states, Canada and on US military installations around the world.

NOTE C - INVESTMENTS

The carrying value of investments as of December 31, 2008 is presented below, along with a summary of investment income earned on investments and cash and cash equivalents for the year then ended.

Mutual funds	\$ 250,295
Corporate bonds	133,638
Certificates of deposit	751,612
Equities	667,531
Alternative investments	<u>553,413</u>
	<u>\$2,356,489</u>

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES
Notes to Financial Statements (continued)
December 31, 2008

NOTE C – INVESTMENTS (continued)

Investment income:

Interest and dividends	\$ 123,591
Realized gains/(losses)	(305,435)
Unrealized gains/(losses)	<u>(682,145)</u>
	<u><u>\$(863,989)</u></u>

Investment fees for the year ended December 31, 2008 were \$25,082.

The Association has investments in limited partnerships, which are classified as alternative investments. The Association's risk of loss in these investments is limited to the investment made by the Association. Note I has additional fair value disclosures.

Investment income includes unrealized gains/(losses) from investments reported under the fair value option. Of the amount above, these elected instruments had an unrealized gain/(loss) of \$(96,546).

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2008 consists of the following:

Furniture and equipment	\$ 1,307,449
Website	1,569,939
Video production workshop	146,212
Leasehold improvements	<u>176,527</u>
	3,200,127
Less accumulated depreciation and amortization	<u>(2,027,428)</u>
	<u><u>\$ 1,172,699</u></u>

Depreciation and amortization expense was \$385,604 in 2008.

NOTE E – PENSION AND RETIREMENT PLANS

403(b) Plan

AWHONN has a defined contribution pension plan covering all of its full-time employees. AWHONN contributes 4% of each employee's salary to the plan. In addition, AWHONN matches up to 2% of an employee's salary for those employees who elect to contribute to the plan. Total annual AWHONN contributions are limited to the amounts specified under Code 415(d) of the Internal Revenue Service (IRS) regulations for the limitation year. Contributions are administered by an investment company. Employees become fully vested in AWHONN's contributions after participating in the plan for three years. Non-vested contributions for terminated employees are forfeited and used to reduce subsequent AWHONN contributions. Employer contributions amounted to \$216,755 in 2008.

NOTE E – PENSION AND RETIREMENT PLANS (continued)

457(b) Plan

AWHONN has a retirement plan covering all employees earning more than \$70,000. Contributions are administered by a trust. Contribution amounts are deferred from the participating employee's salary. The assets and liabilities related to the plan were \$9,266 at December 31, 2008.

NOTE F - COMMITMENTS AND CONTINGENCIES

Operating leases

Subsequent to December 31, 2008, AWHONN extended its office space lease. The total of all rental payments due under the lease will be recognized on a straight-line basis in the statement of activities and changes in net assets. Accordingly, there will be a liability recorded for accrued rent equal to the difference between rent expense charged against income and actual cash payments required under the terms of the lease. At December 31, 2008, the amortization from the prior lease had been fully recognized. As of December 31, 2008, monthly payments were approximately \$68,250.

AWHONN also leases certain office equipment under operating leases. The leases will expire at various times through 2012. As of December 31, 2008, monthly payments on these leases were approximately \$6,870.

The following is a schedule of future minimum lease payments as of December 31, 2008:

	<u>Equipment</u>	<u>Office Space</u>	<u>Total Commitment</u>
2009	\$ 77,417	\$ 819,053	\$ 896,470
2010	73,731	828,477	902,208
2011	63,911	847,096	911,007
2012	7,648	866,228	873,876
2013	-	885,702	885,702
2014 and later	-	5,864,934	5,864,934
	<u>\$ 222,707</u>	<u>\$ 10,111,490</u>	<u>\$ 10,334,197</u>

The total expense incurred under all operating leases during the year ended December 31, 2008 was \$916,932.

Contracts

The Association has entered into numerous consulting contracts that cover the year 2008 and beyond. Additionally, the Association has formed convention-planning agreements for several of their upcoming conventions. Cancellations of these contracts may result in fees and penalties.

The Association has been hired for various contractual services and has received various grants. These contracts and grants commit the Association to certain obligations and compliance requirements. Should AWHONN be noncompliant, certain penalties would be assessed. Management foresees no potential problems, so no estimated loss has been accrued as of December 31, 2008.

NOTE G – CONCENTRATIONS

Support and revenue

Thirty percent (30%) of the Association's revenues come from two publishing companies.

Foreign currency translation

AWHONN maintains significant operations in both Canada and the United States. Canadian net assets converted to U.S. dollars as of December 31, 2008 are approximately \$210,166, unrestricted. All amounts in the financial statements are stated in U.S. dollars. The Association has activity denominated in Canadian dollars. Accordingly, all amounts denominated in Canadian dollars have been translated to U.S. dollars by applying the translation rate for assets and liabilities at December 31, 2008 of 81.33% and by applying the average translation rate for revenue and expenses for the year ended December 31, 2008 of 94.41%. Changes in the foreign currency translation rate subsequent to December 31, 2008 may materially affect unsettled foreign currency transactions as of that date. The Association does not reflect those effects in these financial statements.

NOTE H – NET ASSETS

See Note J for a prior period adjustment to net assets.

1. Unrestricted net assets

Unrestricted net assets represent that portion of the Association's net assets not subject to donor-imposed restrictions.

2. Temporarily restricted net assets

All temporarily restricted net assets are restricted for the purpose of educational research.

NOTE I – FAIR VALUE MEASUREMENTS

Current values of marketable securities are estimates based on quoted market prices as provided by the custodians for the portfolios. The current values for the alternative investments are estimates determined by the investment managers based upon methods which they periodically determine to be appropriate. The alternative investments are more practical and informative when displayed at fair value than at cost. Given the nature of these investments, however, it is at least reasonably possible that a change in the estimate will occur in the near term.

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES
 Notes to Financial Statements (continued)
 December 31, 2008

NOTE I – FAIR VALUE MEASUREMENTS (continued)

The fair market value of inventory is not presented in the following table since its average cost is lower than market.

	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
			<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets					
Investments, at fair value (Note C)	\$ 2,356,489	\$ 2,356,489	\$ 1,803,076	\$ 553,413	\$ -
Reconciliation of Level 3 fair value measurements:		NONE			

NOTE J – PRIOR PERIOD ADJUSTMENT

Certain errors resulting in an overstatement of previously reported deferred dues were discovered during the current year. Accordingly, an adjustment of \$158,916 was made during 2008 to increase deferred dues as of the beginning of the year. A corresponding entry was made to increase previously reported strategic marketing revenue from \$5,279,823 to \$5,438,739, and net assets from \$4,829,448 to \$4,988,364.

OTHER FINANCIAL INFORMATION



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION

Board of Directors
Association of Women's Health, Obstetric and Neonatal Nurses

Our report on our audit of the basic financial statements of the Association of Women's Health, Obstetric and Neonatal Nurses for December 31, 2008 appears on page 3. That audit was conducted in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The statements of functional revenue, functional expenses, functional program services expenses and functional supporting services expenses are presented for purposes of additional analysis and are 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 statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Stokes & Company, P.C.
STOKES & COMPANY, P.C.
Washington, D.C.

June 4, 2009

STOKES & COMPANY, P.C.

1201 15TH STREET, NW
SUITE 340
WASHINGTON, D.C. 20005-2842

(202) 293-9000

FAX (202) 293-9666

WWW.STOKESPC.COM

LARRY F. STOKES, C.P.A.
MATTHEW F. PENNIMAN, C.P.A.

MEMBERS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

PRIVATE COMPANIES
PRACTICE SECTION

GOVERNMENTAL AUDIT
QUALITY CENTER

EMPLOYEE BENEFIT PLAN
AUDIT QUALITY CENTER

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Functional Revenue

Year Ended December 31, 2008

	Strategic Marketing and Business Development	Research, Education and Publications	Sections	Finance and Administration	Executive Office	Human Resources	Client Relations and Operations	Total
Dues revenue	\$ 2,884,166	\$ -	\$ 254,405	\$ -	\$ 62,000	\$ -	\$ -	\$ 3,200,572
Convention and exhibit fee revenue	850,853	-	822,374	-	624,200	-	-	2,297,427
Royalties	173,252	1,351,900	-	-	-	-	1,619,100	3,144,251
Workshop revenue	157,403	17,400	-	-	-	4,600	100	179,503
Inventory sales	937,928	6,000	-	-	-	-	150,200	1,094,129
Contributions and contracts	-	20,000	83,221	-	411,084	-	402,600	916,905
Label/list rental revenue	62,708	-	-	-	5,100	-	-	67,808
Investment income	-	-	(275,750)	(588,239)	-	-	-	(863,989)
Other income	24,071	17,600	-	8,900	26,100	-	16,600	93,270
	<u>\$ 5,090,381</u>	<u>\$ 1,412,900</u>	<u>\$ 884,250</u>	<u>\$ (579,339)</u>	<u>\$ 1,128,484</u>	<u>\$ 4,600</u>	<u>\$ 2,188,600</u>	<u>\$ 10,129,876</u>

The accompanying auditor's report on other financial information should be read with this statement.

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Functional Expenses

Year Ended December 31, 2008

	Program Services	Supporting Services	Total
Salaries and benefits	\$ 2,323,321	\$ 2,545,900	\$ 4,869,221
Recruiting fees	-	13,147	13,147
Temporary staff	-	11,044	11,044
Honoraria	49,067	3,800	52,867
Staff training	-	23,520	23,520
Officers' stipend	-	65,000	65,000
Cost of goods sold	174,940	-	174,940
New program contingency expense	-	149,700	149,700
Consultants	443,299	554,400	997,699
Production/publications	130,776	-	130,776
Promotion	68,575	700	69,275
Printing	199,125	1,600	200,725
Postage and shipping	72,143	92,200	164,343
Travel	382,533	175,900	558,433
Conference	1,281,995	242,800	1,524,795
Bad debt expense	15,615	-	15,615
Rent	386,903	434,793	821,696
Depreciation and amortization	181,565	204,039	385,604
Equipment rental and maintenance	-	135,265	135,265
Audit	-	45,030	45,030
Legal	5,373	155,250	160,623
Insurance	-	83,820	83,820
Fellowship and awards	38,693	15,900	54,593
Dues and subscriptions	55,197	29,059	84,256
Telephone	5,351	47,200	52,551
Supplies	11,600	31,300	42,900
Processing fees	-	180,430	180,430
Miscellaneous	15,138	20,000	35,138
Section activity	18,508	-	18,508
	<u>\$ 5,859,717</u>	<u>\$ 5,261,797</u>	<u>\$ 11,121,514</u>

The accompanying auditor's report on other financial information should be read with this statement.

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Functional Program Services Expenses

Year Ended December 31, 2008

	Public Affairs	Strategic Marketing and Business Development	Research, Education and Publications	Sections	Total
Salaries and benefits	\$ 144,800	\$ 853,421	\$ 1,325,100	\$ -	\$ 2,323,321
Recruiting fees	-	-	-	-	-
Temporary staff	-	-	-	-	-
Honoraria	-	23,467	25,600	-	49,067
Staff training	-	-	-	-	-
Cost of goods sold	-	174,940	-	-	174,940
Consultants	137,700	187,399	118,200	-	443,299
Production/publications	500	109,177	3,200	17,899	130,776
Promotion	-	64,475	4,100	-	68,575
Printing	-	188,129	900	10,096	199,125
Postage and shipping	100	64,366	1,400	6,277	72,143
Travel	1,600	159,778	70,900	150,255	382,533
Conference	1,400	549,939	11,800	718,856	1,281,995
Bad debt expense	-	15,615	-	-	15,615
Rent	24,114	142,120	220,669	-	386,903
Depreciation and amortization	11,316	66,694	103,555	-	181,565
Equipment rental and maintenance	-	-	-	-	-
Audit	-	-	-	-	-
Legal	-	-	-	5,373	5,373
Insurance	-	-	-	-	-
Fellowship and awards	400	2,041	26,300	9,952	38,693
Dues and subscriptions	18,000	-	8,400	28,797	55,197
Telephone	-	911	3,900	540	5,351
Supplies	-	505	3,000	8,095	11,600
Processing fees	-	-	-	-	-
Miscellaneous	100	2,737	7,500	4,801	15,138
Section activity	-	-	-	18,508	18,508
	\$ 340,030	\$ 2,605,714	\$ 1,934,524	\$ 979,449	\$ 5,859,717

The accompanying auditor's report on other financial information should be read with this statement.

ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC AND NEONATAL NURSES

Statement of Functional Supporting Services Expenses

Year Ended December 31, 2008

	Finance and <u>Administration</u>	Executive <u>Office</u>	Human <u>Resources</u>	Client Relations and <u>Operations</u>	<u>Total</u>
Salaries and benefits	\$ 519,200	\$ 741,200	\$ 235,000	\$ 1,050,500	\$ 2,545,900
Recruiting fees	-	-	13,147	-	13,147
Temporary staff	-	-	11,044	-	11,044
Honoraria	-	3,800	-	-	3,800
Staff training	-	-	23,520	-	23,520
Officers' stipend	-	65,000	-	-	65,000
Cost of goods sold	-	-	-	-	-
New program contingency expense	-	149,700	-	-	149,700
Consultants	47,700	17,200	5,800	483,700	554,400
Production/publications	-	-	-	-	-
Promotion	-	700	-	-	700
Printing	100	1,500	-	-	1,600
Postage and shipping	90,100	2,100	-	-	92,200
Travel	6,400	150,800	900	17,800	175,900
Conference	4,100	238,700	-	-	242,800
Bad debt expense	-	-	-	-	-
Rent	86,461	134,257	39,135	174,940	434,793
Depreciation and amortization	40,575	63,004	18,365	82,095	204,039
Equipment rental and maintenance	68,765	-	600	65,900	135,265
Audit	45,030	-	-	-	45,030
Legal	-	155,250	-	-	155,250
Insurance	83,820	-	-	-	83,820
Fellowship and awards	-	15,900	-	-	15,900
Dues and subscriptions	200	17,759	11,100	-	29,059
Telephone	46,800	400	-	-	47,200
Supplies	22,800	1,600	200	6,700	31,300
Processing fees	180,430	-	-	-	180,430
Miscellaneous	9,500	4,300	4,900	1,300	20,000
Section activity	-	-	-	-	-
	<u>\$ 1,251,981</u>	<u>\$ 1,763,170</u>	<u>\$ 363,711</u>	<u>\$ 1,882,935</u>	<u>\$ 5,261,797</u>

The accompanying auditor's report on other financial information should be read with this statement.