



BADGER
SUMRALL
& COMPANY

Certified Public Accountants

Independent Auditors Report

To the Board of Directors of
FairVote

We have audited the accompanying statements of financial position of FairVote (a non-profit organization) as of December 31, 2011 and 2010, and the related statements of activities, functional expenses and cash flows 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 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 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 FairVote as of December 31, 2011 and 2010, and the 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 of America.

Badger Sumrall & Co.
Badger, Sumrall & Co.

Vienna, VA
July 24, 2012

FAIRVOTE

STATEMENTS OF FINANCIAL POSITION December 31, 2011 and 2010

	2011	2010
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 40,696	\$ 23,702
Prepaid expenses	-	-
Unconditional promises to give	4,718	66,125
Security deposit	2,646	2,646
Total Current Assets	48,060	92,473
Furniture and Equipment, Net - Note 2	3,505	5,040
Total Assets	<u>\$ 51,565</u>	<u>\$ 97,513</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 5,819	\$ 8,169
Loan from Officers, Directors	-	34,600
Accrued payroll liabilities	2,180	4,300
Rental deposits	1,430	1,430
Deferred compensation - Note 6	9,537	17,814
Total Current Liabilities	18,966	66,313
Total Liabilities	<u>18,966</u>	<u>66,313</u>
Net Assets		
Temporarily restricted net assets	-	-
Unrestricted net assets	32,599	31,200
Total Net Assets(Deficit)	32,599	31,200
Total Liabilities and Net Assets	<u>\$ 51,565</u>	<u>\$ 97,513</u>

The notes to financial statements are an integral part of this statement.

FAIRVOTE

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

	2011		
	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Public support	\$ 290,378	\$ -	\$ 290,378
Program service revenue	-	-	-
Interest income	-	-	-
Net assets released from restrictions:			
Expiration of time restrictions	-	-	-
Satisfaction of program restrictions	-	-	-
Total support and revenue	290,378	-	290,378
Expenses			
Fair Representation	62,614		62,614
Fair Elections	137,473		137,473
Fair Access	51,878		51,878
Supporting Services			
Management and general	25,625		25,625
Fundraising	11,389		11,389
Total Expenses	288,979	-	288,979
Change in net assets	1,399	-	1,399
Net assets, beginning of year	31,200	-	31,200
Prior year adjustment	-	-	-
Net assets, end of year	\$ 32,599	\$ -	\$ 32,599

The notes to financial statements are
an integral part of this statement.

FAIRVOTE

STATEMENTS OF ACTIVITIES For the Year Ended December 31, 2010

	2010		
	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Public support	\$ 321,762	\$ -	\$ 321,762
Program service revenue	151,164		151,164
Interest income	-		-
Net assets released from restrictions:			
Expiration of time restrictions	-	-	-
Satisfaction of program restrictions	-	-	-
Total support and revenue	472,926	-	472,926
Expenses			
Program for Representative Government	68,475		68,475
Right to Vote Program	16,476		16,476
Instant Runoff Voting Project	118,594		118,594
Election Services	20,940		20,940
Voting and Democracy Research	2,062		2,062
Presidential Election Reform	70,652		70,652
Democracy USA	2,217		2,217
Port Chester	124,881		124,881
Supporting Services			
Management and general	34,074		34,074
Fundraising	6,508		6,508
Total Expenses	464,879	-	464,879
Change in net assets	8,047	-	8,047
Net assets, beginning of year	23,153	-	23,153
Prior year adjustment	-		-
Net assets, end of year	\$ 31,200	\$ -	\$ 31,200

The notes to financial statements are an integral part of this statement.

FAIRVOTE

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2011

	PROGRAM SERVICES			
	Fair Representation	Fair Elections	Fair Access	Total
Officer salaries	\$ 16,320	\$ 40,800	\$ 6,120	\$ 63,240
Salaries	1,189	714	475	2,378
Employee benefits	3,192	7,602	1,850	12,644
Deferred & pension	474	1,224	199	1,897
Payroll taxes	1,420	3,440	601	5,461
Accounting fees				-
Supplies	286	419	73	778
Telephone	2,568	5,238	2,465	10,271
Postage	276	769	54	1,099
Occupancy	12,077	24,637	11,594	48,308
Printing	1,172	2,518	197	3,887
Travel	3,321	5,810	555	9,686
Conferences	1,646	2,394	258	4,298
Depreciation	311	634	298	1,243
Insurance	396	566	57	1,019
Bank fees	286	409	41	736
Consultants	17,351	27,564	27,000	71,915
Interns				-
Other taxes	115	164	16	295
Professional fees		340		340
Other expenses				-
Ballot measures	50	12,000		12,050
Grants	164	231	25	420
Campaigns				-
Total	\$ 62,614	\$ 137,473	\$ 51,878	\$ 251,965

FAIRVOTE

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2011

	SUPPORT SERVICES		
	Management & General	Fundraising	TOTAL
Officer salaries	\$ 1,360	\$ 3,400	\$ 68,000
Salaries	8,323	1,189	11,890
Employee benefits	414	613	13,671
Deferred & pension	41	102	2,040
Payroll taxes	809	472	6,742
Accounting fees	8,286		8,286
Supplies	34	112	924
Telephone	488	229	10,988
Postage	75	573	1,747
Occupancy	3,757	1,611	53,676
Printing	105	924	4,916
Travel	319	144	10,149
Conferences	229	1,553	6,080
Depreciation	246	46	1,535
Insurance	79	34	1,132
Bank fees	57	25	818
Consultants	980	352	73,247
Interns			-
Other taxes	23	10	328
Professional fees			340
Other expenses			-
Ballot measures			12,050
Grants			420
Campaigns			-
Total	\$ 25,625	\$ 11,389	\$ 288,979