2012–2013

Easter Seals
DISABILITY SERVICES

ANNUAL REPORT

Financials

Easter Seals
DISABILITY SERVICES®

Easter Seals offers help, hope and answers for children and adults with autism, developmental disabilities, physical disabilities and other special needs—and for their families—in communities across the United States.

We create life-changing solutions through therapy, training, education and support services—so people living with disabilities can live, learn, work, play and contribute to society.

At Easter Seals, we believe in possibilities. We are advocates for what people with disabilities and special needs can do when given the chance. We have high expectations. And, very often, people are amazed at what they can achieve.

While we provide many services based on community needs, we currently focus on three areas of critical need:

Identifying and serving young children at risk for developmental delays and disability

Every year we fail to identify more than a million young children with developmental delays and disabilities. This puts children at a great disadvantage. We offer screening and therapy services through our childcare and early intervention programs—so all kids start school ready to learn with their peers. We know that early identification and treatment for young children are predictors for success over a lifetime.

Assisting a new generation of veterans with special needs and disabilities

Easter Seals has provided critical community-based supports and services to military service members, veterans and their families since World War II. Today with **Dixon Center at Easter Seals** our focus is on creating community networks for a new generation of more than 2 million veterans returning from Iraq and Afghanistan. Our veterans want to contribute at home, but they need access to education, health care and the chance to find meaningful employment. *Easter Seals* is sharing its expertise in training people for employment.

Easter Seals DISABILITY SERVICES

DIXON CENTER Reaching America

MILITARY & VETERANS SERVICES

Creating community-based services and family support for adults with disabilities

Because we believe that everyone has a right to be included in our communities, *Easter Seals* continues to develop services for adults with disabilities, older adults and caregivers. We are helping—so they can live on their own, or with their families, and participate in community life. Whether through work, as volunteers, or as participants in day programs, our goal is to keep people engaged and involved—and out of institutions.

Brain Health
Creating solutions, changing lives.®

Building Easter Seals Brain Health Center

In March of 2013, we launched **Easter Seals Brain Health Center** to share new research, tools and scientifically-proven brain training and re-training exercises—that have enormous potential for generations to come—and they're online.

We're building on the therapies we have always offered—and creating life-changing, 21st century solutions for everyone.

2012–2013 EASTER SEALS SERVICES OVERVIEW

Easter Seals 2012 Total Public Support and Revenue of $1,618,825,000

Easter Seals provides an array of direct services to improve the lives of people living with disabilities or special needs and their families. We also offer meaningful opportunities to become involved through education and outreach and influencing social change.

Easter Seals serves people of all ages and disabilities: people with autism spectrum disorders; speech, language and hearing disorders; spinal cord injuries; stroke; head trauma; post traumatic stress; amputations; intellectual disabilities; learning disabilities; polio and post-polio; spina bifida; cerebral palsy; muscular dystrophy; and Alzheimer's disease. Easter Seals also assists families with disability screenings and prevention programs.

Medical Rehabilitation Programs

Child Care & Children's Services Programs

Workforce Development Programs

Adult & Senior Service Programs

Camping, Recreation & Respite Programs

Residential Housing Programs

Assistive Technology Programs

Ability First Australia and its seven members provide adult and senior services, assistive technology, camping and recreation, children services, workforce development, medical rehabilitation, residential housing, and support services. In fiscal 2012, 26,925 people received services from Ability First Australia.

SER, Easter Seals Puerto Rico serves children and adults in San Juan, Ponce and Aibonita. Services include assistive technology; early intervention; physical, occupational, speech and aquatic therapies.

A directory of Easter Seals services by state can be accessed at easterseals.com

250 medical rehabilitation programs offer physical and occupational therapy services, speech therapy and audiology, outpatient medical rehabilitation, social work/case management, nursing, mental health and early intervention. In fiscal 2012, 199,900 children and adults received therapy services.

172 child care and children's programs in the United States provide developmental monitoring, early child development services, inclusive child care programs, developmental pre-school programs, and school-aged children's services. In fiscal 2012, 37,068 children received services.

150 workforce development programs provide vocational evaluation and assessment, work adjustment/employee development, job placement, employment planning, occupational skills training, school-to-work transitions, senior community service employment programs, and community-based and supportive employment. In fiscal 2012, 85,389 adults received job training and employment services.

149 adult and senior service programs across the country with adult day centers, community-based support programs, case management for adults with intellectual disabilities, and in-home care designed to address the growing needs of older adults and their families. In fiscal 2012, 19,287 adults and seniors received care.

134 camping, recreation, and respite programs nationwide offer day camps, recreation, respite and residential camping for children and adults with disabilities or other special needs. In fiscal 2012, 35,631 children and adults enjoyed these programs.

104 residential housing programs support individuals with disabilities or other special needs living in their communities. In fiscal 2012, 5,057 children and adults received residential care.

51 assistive technology programs across the country provide assessments, augmentative communication, hearing aids, orthotics/prosthetics, seating services, adaptive devices, computer and other assistive technology devices for adults and children. In fiscal 2012, 12,381 adults and children benefited from these programs.

Influenced the lives of 54 million Americans with disabilities and their families.

Engaged with more than 3 million volunteers, donors and the public through face-to-face opportunities, website and social media exchange and other interactions.

Provided direct services for nearly 1.8 million individuals with disabilities and special needs and their families in the United States, Australia, Puerto Rico, Canada, and Mexico in 2012.

Easter Seals direct services address the concerns of children and adults who are disabled at birth, through injury or illness, or by the functional limitations experienced in aging. These services include early care and education, medical rehabilitation, workforce development, adult and senior care, and camping and recreation. Our focus is on young children, people living with autism, older adults and military service members, veterans, their families and families of the fallen.

CONFE is a confederation of 160 associated institutions in Mexico, advocating for an inclusive culture for people living with intellectual disabilities. CONFE provides evaluation, early intervention, employment training and placement, recreation, counseling and support services for individuals and families.

Easter Seals Canada provides camping and recreation, assistive technology, children services, workforce development, medical rehabilitation, residential housing, adult and senior services and support. In fiscal 2012, 86,438 people received services from Easter Seals Canada.

The Story of

Easter Seals DISABILITY SERVICES

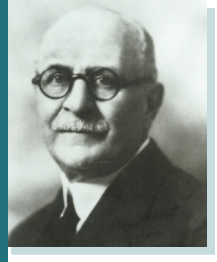
Easter Seals offers help, hope and answers to children and adults with disabilities and their families in the United States and Australia, and through our global partners in Puerto Rico, Canada and Mexico. We are the leading non-profit provider of services for individuals with autism, developmental disabilities, physical and mental disabilities and other special needs.

Easter Seals also provides critical community-based supports and services to military service members, veterans, their families and families of the fallen. Through therapy, training, education and support services, *Easter Seals* creates life-changing solutions so that people with disabilities can live, learn, work and play in their communities.

Clinic at Gates Hospital in Elyria, Ohio

To learn more about Easter Seals, visit easterseals.com

1919 — Founded by Edgar Allen to help children with disabilities



1934 — First Easter "seal" fundraising campaign

1944 — Broadened mission to support adults and veterans

1950 — Achieved nationwide reach

1952 — Officially incorporated lily into Easter Seals

1967 — Adopted the name Easter Seals

1984 — Served more than 1 million people annually

1990 — Helped pass Americans with Disabilities Act into law

1999 — Received top recognition by National Health Council for 20th consecutive year, which continues today

2004 — Established new affiliation with Ability First Australia

2005 — Edgar F. Allen honored as founding member of The Extra Mile Volunteer Pathway Monument in Washington, D.C.

2006 — Easter Seals welcomes global partner, Easter Seals Canada

2010 — Easter Seals welcomes global partner, CONFE in Mexico

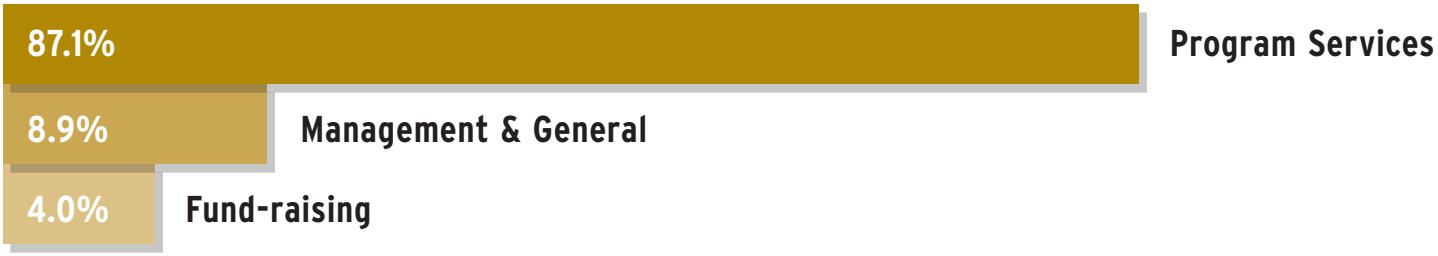
2012 — Offers top-quality, innovative services in the U.S., Puerto Rico, Australia, Canada, and Mexico

2013 — Easter Seals and Dixon Center reach out to support military service members and veterans

Statement of Domestic Functional Expenses

For 2012 Fiscal Year End

A total of $1,299,082,000 was allocated as follows:



Note: Easter Seals total expenses for affiliates in the United States and Australia and global partners Easter Seals Canada, CONFE in Mexico and SER, Easter Seals Puerto Rico were $1,576,931,000 for 2012 fiscal year end.

Statement of Activities and Changes in Net Assets

For 2012 and 2011 Fiscal Year End (amounts in $)	Unrestricted	Temporarily Restricted	Permanently Restricted	2012 Total	2011 Total
Public Support					
Contributions	72,905,000	22,365,000	327,000	95,597,000	92,953,000
Change in Value of Split Interest Agreements	(24,000)	154,000	1,056,000	1,186,000	1,114,000
Special Events	24,610,000	167,000	530,000	25,307,000	25,557,000
Less Direct Benefit Costs	(5,551,000)	–	–	(5,551,000)	(6,450,000)
Bequests	3,923,000	1,690,000	–	5,613,000	14,171,000
Government Grants	263,061,000	5,903,000	–	268,964,000	278,844,000
Federated Fundraising Organizations	4,761,000	565,000	–	5,326,000	5,575,000
Donated Goods & Services	66,716,000	–	–	66,716,000	55,741,000
Total Public Support	**430,401,000**	**30,844,000**	**1,913,000**	**463,158,000**	**466,704,000**
Revenues					
Grants, Fees, and Contract Services	708,359,000	2,248,000	7,000	710,613,000	673,131,000
Sales to the Public	129,540,000	–	–	129,540,000	121,143,000
Investment Income - Net	17,955,000	1,762,000	598,000	20,315,000	22,208,000
Other Revenue	12,282,000	198,000	124,000	12,603,000	11,666,000
Total Revenue	**868,136,000**	**4,208,000**	**729,000**	**873,072,000**	**828,148,000**
International Public Support and Revenue	**282,594,000**	**–**	**–**	**282,594,000**	**174,020,000**
Net Assets Released from Restrictions	**29,149,000**	**(28,938,000)**	**(211,000)**	**–**	**–**
Total Public Support and Revenue	**1,610,280,000**	**6,114,000**	**2,431,000**	**1,618,825,000**	**1,468,872,000**
Expenses					
Program Services					
Public Health Education & Training	25,747,000	–	–	25,747,000	35,468,000
Research	11,510,000	–	–	11,510,000	14,142,000
Direct Services	1,101,192,000	–	–	1,101,192,000	1,045,246,000
Total Program Services	**1,138,449,000**	**–**	**–**	**1,138,449,000**	**1,094,857,000**
Supporting Services					
Fundraising	42,523,000	–	–	42,523,000	40,664,000
Management and General	118,110,000	–	–	118,110,000	110,749,000
Total supporting services	**160,633,000**	**–**	**–**	**160,633,000**	**151,413,000**
Total Functional Expense	**1,299,082,000**	**–**	**–**	**1,299,082,000**	**1,246,270,000**
International Expense	**277,849,000**	**–**	**–**	**277,849,000**	**171,974,000**
Total Expense	**1,576,931,000**	**–**	**–**	**1,576,931,000**	**1,418,244,000**
Other Extraordinary Items & Reclassifications	280,000	(2,829,000)	86,000	(2,463,000)	(2,008,000)
Pension Related Changes Other Than Net Periodic Pension Expense	(6,065,000)	–	–	(6,065,000)	(4,538,000)
Current Period Translation Adjustment	3,005,000	–	–	3,005,000	8,730,000
Change in Net Assets	**30,569,000**	**3,285,000**	**2,517,000**	**36,371,000**	**52,811,000**
Net Assets at Beginning of Year, as Adjusted	**608,001,000**	**68,160,000**	**80,101,000**	**756,262,000**	**672,409,000**
Net Assets at End of Year	**638,570,000**	**71,445,000**	**82,618,000**	**792,633,000**	**725,220,000**

See Notes to Consolidated Financial Statements.

Statement of Financial Position

For 2012 and 2011 Fiscal Year End (amounts in $)	Domestic	International	2012 Total	2011 Total
Assets				
Cash	94,244,000	33,472,000	127,716,000	116,995,000
Pledges, Notes & Accounts Receivable - Net	151,437,000	12,149,000	163,586,000	149,933,000
Inventories	7,653,000	2,436,000	10,089,000	10,448,000
Prepaid & Deferred Expenses	12,057,000	609,000	12,666,000	12,841,000
Investments, at Market Value	240,271,000	53,271,000	293,542,000	286,399,000
Property				
Land	70,333,000	14,853,000	85,186,000	75,696,000
Buildings, Equipment & Improvements	699,328,000	105,209,000	804,537,000	753,133,000
Accumulated Depreciation	(310,833,000)	(21,547,000)	(332,380,000)	(327,873,000)
Net Property	458,828,000	98,515,000	557,343,000	500,956,000
Assets Held in Trust	58,707,000	11,092,000	69,799,000	59,374,000
Pension Assets	820,000	227,000	1,047,000	–
Other Assets	28,616,000	4,330,000	32,946,000	27,582,000
Total Assets	**1,052,633,000**	**216,101,000**	**1,268,734,000**	**1,164,528,000**
Liabilities				
Notes & Accounts Payable	68,523,000	19,444,000	87,967,000	81,126,000
Accrued Expenses	60,326,000	19,731,000	80,057,000	64,752,000
Long-Term Notes Payable	196,941,000	3,989,000	200,930,000	193,707,000
Pension Liabilities	25,440,000	609,000	26,049,000	19,763,000
Other Liabilities	42,733,000	38,365,000	81,098,000	79,959,000
Total Liabilities	**393,963,000**	**82,138,000**	**476,101,000**	**439,308,000**
Net Assets				
Unrestricted				
For Current Operations	436,511,000	118,107,000	554,618,000	495,666,000
Designated for Specific Purposes	73,666,000	5,606,000	79,272,000	76,255,000
Translation Adjustment	–	4,679,000	4,679,000	8,036,000
Total Unrestricted	**510,177,000**	**128,392,000**	**638,569,000**	**579,957,000**
Temporarily Restricted	67,268,000	4,177,000	71,445,000	65,174,000
Permanently Restricted	81,225,000	1,394,000	82,619,000	80,089,000
Total Net Assets	**658,670,000**	**133,963,000**	**792,633,000**	**725,220,000**
Total Liabilities & Net Assets	**1,052,633,000**	**216,101,000**	**1,268,734,000**	**1,164,528,000**

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

For 2012 Fiscal Year End

NATURE OF THE ORGANIZATION

Easter Seals (the Organization) is a not-for-profit organization comprised of its headquarters and 82 intermediary health care agencies (affiliates) providing services to individuals with disabilities throughout the United States, Puerto Rico, Australia, Canada, and Mexico. The mission of *Easter Seals* is to continue to be the leading organization in helping children and adults with disabilities to live with equality, dignity, and independence. Headquarters and the affiliates are separately incorporated and exempt from taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code in the United States, Section 50-5 of the Income Tax Assessment Act of 1997 in Australia, as Registered Charities of the Income Tax Act in Canada, and Mexican National Registry of Non-Profit Civil Society Organizations in Mexico.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Combination

Each affiliate is a separately incorporated entity that has its own independent Board of Directors, maintains its own separate accounts, and retains its own independent audit firm. The combined, unaudited financial statements are compiled from the uniform, audited financial reports of *Easter Seals, Inc*. and its affiliates. All intra-organizational accounts and transactions have been eliminated in the accompanying financial statements.

Basis of Accounting

Combined financial statements, prepared on the accrual basis, incorporate the requirements of the Financial Accounting Standards Board, which requires the Organization to classify its financial position and activities in accordance with donor-imposed restrictions, as follows:

Unrestricted – transactions that are not subject to donor-imposed restrictions or whose donor-imposed restrictions have expired

Temporarily restricted – transactions that are subject to donor-imposed restrictions that can be satisfied by actions of the Organization or by the passage of time

Permanently restricted – transactions subject to donor restrictions requiring that they be maintained permanently by *Easter Seals*; generally, these transactions allow the use of part or all of the income earned on related, restricted investments

Investments

Investments in the accompanying combined statement of financial position are stated at fair market value. Realized and unrealized gains and losses are reflected in the combined statement of activities.

Pledges Receivable

Easter Seals has pledges receivable from individuals and corporate entities. Pledges receivable are recorded in the period when the pledges were made as contributions under public support. Pledges to be collected at a future date are recorded at the present value of cash to be received and classified as increases to temporarily restricted net assets. Pledges are released from temporarily restricted support to unrestricted support when the time or purpose restrictions have been met.

Property

Purchased buildings, equipment, and improvements are stated at cost. Donated property is recorded at the fair market value at date of receipt. Depreciation and amortization is provided primarily on the straight-line method based on the estimated useful life of the asset ranging from 3 to 40 years.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets are to be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated Goods and Services

Easter Seals records in-kind support for various professional services and materials received. Contributed professional services are recognized if the services received create or enhance long-lived assets, or are provided by individuals possessing specialized skills that would otherwise need to be purchased if not provided by donation.

International Operations

The Organization includes international entities from Australia, Canada, Mexico, and Puerto Rico. Financial results of international entities have been included into the combined financial reports. Revenues and expenses are independently displayed from domestic revenues and expenses on the combined Statement of Activities. The combined Statement of Financial Position displays international results in a column that is separate from domestic results.

Statement of Activities and Changes in Net Assets

For Year Ended December 31, 2012 and 2011 (amounts in $)	Unrestricted	Temporarily Restricted	Permanently Restricted	2012 Total	2011 Total
Public Support					
Contributions	41,505,100	10,270,600	22,700	51,798,400	51,921,800
Special Events	32,500	–	–	32,500	34,800
Change in Value of Split Interest Agreements	(39,900)	65,400	147,700	173,200	(50,900)
Government Grants	22,251,200	–	–	22,251,200	27,000,400
In-kind contributions	7,048,100	–	–	7,048,100	5,758,600
Total Public Support	**70,797,000**	**10,336,000**	**170,400**	**81,303,400**	**84,664,700**
Revenues					
Membership fees from affiliates	3,223,700	–	–	3,223,700	3,304,700
Sales and services to affiliates	1,176,600	–	–	1,176,600	1,098,800
Government contract revenue	3,399,000	–	–	3,399,000	2,060,400
Investment returns	2,236,600	–	–	2,236,600	(523,200)
Net unrealized gains on perpetual trusts	–	–	75,300	75,300	–
Miscellaneous revenue	7,97,600	–	–	797,600	1,518,700
Net assets released from restrictions	8,090,900	(8,090,900)	–	–	–
Total Revenue	**18,924,400**	**(8,090,900)**	**75,300**	**10,908,800**	**7,459,400**
Total public support and revenue	**89,721,400**	**2,245,100**	**245,700**	**92,212,200**	**92,124,100**
Expenses					
Program Services					
Services for affiliates:					
Program development	35,284,800	–	–	35,284,800	37,299,700
Professional education and training	4,053,800	–	–	4,053,800	4,102,200
Fundraising advisory	5,583,700	–	–	5,583,700	5,707,600
Management advisory	3,669,800	–	–	3,669,800	3,584,400
Total Services for Affiliates	**48,592,100**	**–**	**–**	**48,592,100**	**50,693,900**
Public health education	18,337,700	–	–	18,337,700	18,513,800
Advocacy for persons with disabilities & research	4,307,900	–	–	4,307,900	3,600,700
Total Program Services	**71,237,700**	**–**	**–**	**71,237,700**	**72,808,400**
Supporting Services					
Fundraising	15,988,200	–	–	15,988,200	15,472,600
Management and General	3,017,200	–	–	3,017,200	3,196,900
Total supporting services	**19,005,400**	**–**	**–**	**19,005,400**	**18,669,500**
Total operating expenses	**90,243,100**	**–**	**–**	**90,243,100**	**91,477,900**
Public support and revenues less operating expenses	**(521,700)**	**2,245,100**	**245,700**	**1,969,100**	**646,200**
Nonoperating					
Pension liability adjustments other than net periodic benefit cost	(1,797,000)	–	–	(1,797,000)	(4,114,200)
Change in net assets	**(2,318,700)**	**2,245,100**	**245,700**	**172,100**	**(3,468,000)**
Net assets, beginning of year	(2,964,100)	3,497,600	1,551,900	2,085,400	5,553,400
Net assets, end of year	(5,282,800)	5,742,700	1,797,600	2,257,500	2,085,400

See Notes to Financial Statements.

Statement of Financial Position

December 31, 2012 and 2011 (amounts in $)	2012	2011
Assets		
Current Assets		
Cash and cash equivalents	715,600	563,500
Investments	16,201,500	14,778,700
Accounts receivable from affiliates, less allowance for doubtful accounts of 2012 $110,000; 2011 $140,000	307,100	367,800
Government grants and contract receivable	2,078,900	2,696,700
Pledges receivable – Net	1,809,800	967,100
Other accounts receivable, less allowance for doubtful accounts of 2012 $13,000; 2011 $13,000	1,084,800	922,600
Prepaid expenses	338,800	486,700
Total current assets	**22,536,500**	**20,783,100**
Long-Term Assets		
Fixed assets – Net	838,400	914,100
Investments for charitable gift annuities	1,759,900	1,402,000
Pledges receivable – Net	1,446,800	881,100
Beneficial interest in trusts	2,620,000	2,397,400
Total long-term assets	**6,665,100**	**5,594,600**
Total assets	**29,201,600**	**26,377,700**
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	6,640,100	6,900,900
Accounts payable to affiliates	3,158,500	1,882,100
Capital lease obligation	37,000	49,100
Line of credit	2,182,300	2,382,400
Note payable	575,000	575,000
Total current liabilities	**12,592,900**	**11,789,500**
Long-Term Liabilities		
Capital lease obligation	33,700	67,800
Accounts payable to affiliates	751,900	380,500
Charitable gift annuities	855,400	756,900
Deferred rent and other	665,100	666,800
Note payable	3,450,000	3,154,000
Pension liability	8,595,100	7,476,800
Total long-term liabilities	**14,351,202**	**12,502,800**
Total liabilities	**26,944,100**	**24,292,300**
Net Assets		
Unrestricted		
Available for operations	6,567,100	7,088,800
Net actuarial pension loss	(11,849,900)	(10,052,900)
Unrestricted total	**(5,282,800)**	**(2,964,100)**
Temporarily restricted	5,742,700	3,497,600
Permanently restricted	1,797,600	1,551,900
Total Net Assets	**2,257,500**	**2,085,400**
Total liabilities and net assets	**29,201,600**	**26,377,700**

See Notes to Financial Statements

Notes to Financial Statements

For Year Ended December 31, 2012

Easter Seals Inc. is the headquarters of *Easter Seals* (the Organization). *Easter Seals Inc.* follows accounting standards established by the Financial Accounting Standards Board (the FASB) to ensure consistent reporting of financial position, results of activities, and cash flows. References to Generally Accepted Accounting Principles (GAAP) in these footnotes are to the FASB *Accounting Standards Codification*, sometimes referred to as the Codification or ASC.

Easter Seals, Inc. is supported by *Easter Seals Foundation*, which raises funds to further *Easter Seals* initiatives and programs. These financial statements include the consolidated accounts of *Easter Seals, Inc.* and *Easter Seals Foundation*. *Easter Seals, Inc.* has a controlling financial and economic interest in *Easter Seals Foundation*. All significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and cash equivalents include highly liquid short-term investments with maturities of 90 days or less from the date of purchase.

Investments are in marketable securities and are recorded at fair value based on quoted market prices. Changes in fair value are recorded as unrealized gains (losses) and are included in investment return. Investments are exposed to various risks such as interest rate, market, and credit risks. It is at least reasonably possible that changes in values of investments will occur in the near term and that such changes could materially affect the amounts reported.

Easter Seals Inc. has an available $6,000,000 bank line of credit. Borrowings outstanding under the line are due on demand and are collateralized by certain unrestricted investments. *Easter Seals Inc.* had $2,182,300 outstanding under this line of credit as of December 31, 2012. The interest rate options are the bank's prime rate less 1.25% or LIBOR plus 1.5%. *Easter Seals Inc.* had selected the LIBOR rate option. The weighted average interest rate on the line of credit for the reporting period was 1.27%.

Easter Seals Inc. has a $4,600,000 long-term note payable from the same commercial bank, which is due in quarterly principal installments of $143,750 plus interest at 2.87 percent through January 15, 2017. The note is collateralized by certain unrestricted investments held by *Easter Seals Inc.* The balance of the term loan was $4,025,000 at December 31, 2012.

The net assets of *Easter Seals Inc.* are reported as unrestricted, temporarily restricted, or permanently restricted. Unrestricted net assets are composed of all resources not included in restricted net assets. Included are expendable resources used to support *Easter Seals'* core activities. All expenses are recorded as a reduction of unrestricted net assets.

Temporarily restricted net assets carry restrictions that expire upon passage of a prescribed period or upon the occurrence of a stated event as specified by the donor, at which time they are reclassified to unrestricted net assets and reported as net assets released from restrictions. Included in temporarily restricted net assets are gifts held by *Easter Seals, Inc.* pending their use in accordance with donor stipulations and unexpended gifts from pledges and living trust agreements where the principal is expendable upon redemption or maturity. Contributions received with donor-imposed restrictions that are met in the same reporting period are reflected as an addition and reduction to temporarily restricted net assets.

Permanently restricted net assets are subject to donor-imposed restrictions that the principal be invested in perpetuity.

Easter Seals Inc. conducts a comprehensive national direct response fund-raising and public education campaign (National Campaign) in accordance with *Easter Seals'* charitable goals and objectives outlined in its by-laws. *Easter Seals Inc.* does not serve as an agent for its affiliates in conducting the National Campaign, but rather raises funds for the Organization in cooperation with its affiliates. The National Campaign and the funds raised in the National Campaign are managed and distributed in accordance with the policies and procedural guidelines agreed to by *Easter Seals Inc.* and its affiliates.

Notes to Financial Statements *(continued)*

Operating expenses for *Easter Seals Inc.* are presented in the statement of activities on a functional basis. Where expenses affect more than one area, they are allocated to the respective areas based on estimates made by management.

The significant activities are:

Program Development: Funds, leadership, and assistance directed to affiliates to provide services for children and adults with autism and other disabilities through their centers. Primary services are medical rehabilitation, job training and employment, inclusive child care, adult day services, and camping and recreation. Building from its expertise, *Easter Seals* is focusing on four service areas of critical importance: young children, older adults, people living with autism, and military service members and veterans.

Professional Education and Training: Activities to improve the knowledge, skills, and critical judgment of affiliate staff, volunteers, caregivers, and other health and education professionals.

Fund-raising Advisory: Training and consultation with affiliates to strengthen their relationships with donors and make the general public aware of the needs of children and adults with disabilities and their families.

Management Advisory: Managing *Easter Seals'* brand and membership standards with affiliates; consulting on general management issues including: *Easter Seals'* best practices for service delivery, board development, and doing business as a non-profit; finance and accounting, budgeting, strategic planning and personnel selection.

Advocacy with and for Persons with Disabilities: Activities to assure equal access and opportunities for people with disabilities.

Public Health Education: Creating a public awareness about individuals living with disabilities and the issues they face through multi-media public education campaigns, community advocacy, and by providing up-to-date resources about disabilities, disability awareness, opportunities, universal design, and other relevant topics. The primary focus is on young children, older adults, people living with autism, and military service members and veterans with disabilities.

Research: Awards, grants, and/or activities to support studies or investigations in the physical and social sciences that seek new evidence-based knowledge to benefit children and adults with disabilities, their families, and the personnel that serve them.

Please visit our website for a copy of the full audited financial report for Easter Seals, Inc. at www.easterseals.com.

Corporate Support

As of December 31, 2012

Corporate Sponsors

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Century 21 Real Estate LLC
Comcast
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Berwyn, Pennsylvania

The Barstow Foundation
Midland, Maryland

Bristol-Meyers Squibb Foundation, Inc.
New York, New York

BNY Mellon Foundation
New York, New York

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Philadelphia, Pennsylvania

CVS Caremark Charitable Trust
Woonsocket, Rhode Island

Farmer Family Fund of The Greater Cincinnati Foundation
Cincinnati, Ohio

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Fort Worth, Texas

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Tucker, Georgia

The Goizueta Foundation
Atlanta, Georgia

The Carol Ann and Ralph V. Hale, Jr./U.S. Bank Foundation
Cincinnati, Ohio

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Anaheim, California

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Milwaukee, Wisconsin

J.P. Morgan Chase Foundation
New York, New York

Newman's Own Foundation
Westport, Connecticut

Retirement Research Foundation
Chicago, Illinois

Ruby Diamond Foundation
Tallahassee, Florida

Sodexo, Inc.
Gaithersburg, Maryland

The Safeway Foundation
Pleasanton, California

The Avril Lavigne Foundation
Santa Monica, California

Wounded Heroes Foundation
Chicago, Illinois

Affiliate Directory

Includes members as of September 1, 2013

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Montgomery, Ala. 36117

Easter Seals of the Gulf Coast *
2448 Gordon Smith Dr.
Mobile, Ala. 36617

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Anchorage, Alaska 99503

Easter Seals Blake Foundation
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Tucson, Ariz. 85712

Easter Seals Southwest Human Development
2850 North 24th St.
Phoenix, Ariz. 85008

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Little Rock, Ark. 72212

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Aptos, Calif. 95003

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1570 E. 17th St.
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5755 W. Alameda Ave.
Lakewood, Colo. 80226

Easter Seals Capital Region & Eastern Connecticut
100 Deerfield Rd.
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Easter Seals New Haven, Connecticut *
432 Washington Ave.
North Haven, Conn. 06473

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22 Tompkins St.
Waterbury, Conn. 06708

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New Castle, Del. 19720

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Suite 280
Orlando, Fla. 32807

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1475 N.W. 14th Ave.
Miami, Fla. 33125

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Sarasota, Fla. 34243

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Ellen Black Center
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Daytona Beach, Fla. 32114

Easter Seals East Georgia
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Augusta, Ga. 30903

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604 Kellam Rd.
Dublin, Ga. 31021

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Albany, Ga. 31701

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2515 Double Churches Rd.
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Rosalie Dold Center for Children
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Villa Park, Ill. 60181

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Joliet, Ill. 60435

Easter Seals Metropolitan Chicago, Illinois
Therapeutic School & Center for Autism Research
1939 W. 13th St., Suite 300
Chicago, Ill. 60608

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507 E. Armstong Ave.
Peoria, Ill. 61603

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Fort Wayne, Ind. 46825

Easter Seals Crossroads, Indiana
4740 Kingsway Dr.
Indianapolis, Ind. 46205

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The Rehabilitation Center
3701 Bellemeade Ave.
Evansville, Ind. 47714

Easter Seals Iowa
401 N.E. 66th Ave.
Des Moines, Iowa 50313

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3500 S.W. 10th Ave.
Topeka, Kan. 66604

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Lexington, Ky. 40504

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Paducah, Ky. 42001

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New Orleans, La. 70112

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Silver Spring, Md. 20910

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Auburn Hills, Mich 48326

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St. Louis, Missouri 63132

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New York, N.Y. 10018

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5171 Glenwood Ave.
Suite 400
Raleigh, N.C. 27612

Easter Seals North Dakota *
211 Collins Ave.
Mandan, N.D. 58554

Easter Seals Central & Southeast Ohio
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Hilliard, Ohio 43026

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1511 Kuntz Rd.
Dayton, Ohio 45404

Easter Seals of Mahoning, Trumbull and Columbiana Counties, Ohio
299 Edwards St.
Youngstown, Ohio 44502

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Elyria, Ohio 44035

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Fort Worth, Texas 76104

Easter Seals Rio Grande Valley, Texas
1217 Houston St.
McAllen, Texas 78501

Easter Seals San Antonio, Texas

2203 Babcock Rd.
San Antonio, Texas 78229

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Wheeling, W. Va. 26003

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Easter Seals Southeast Wisconsin *
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West Allis, Wis. 53227

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NSW 2000 Australia

MontroseAccess
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4075 Australia

Northcott Disability Services
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NSW 2124 Australia

Cootharinga Society of North Queensland
P.O. Box 792 Castletown
Hyde Park QLD 4812
Australia

Novita Children's Services
P.O. Box 2438 Regency Park
SA 5942 Australia

St. Giles Society
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Launceston TAS 7250
Australia

Rocky Bay
P.O. Box 53
Mosman Park WA 6012
Australia

* **Also a member of Goodwill Industries International, Inc.**

Affiliate Directory *(continued)*

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Toronto, Ontario M43 3C3

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2012-2013 Annual Report

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