

**BOYS AND GIRLS CLUBS OF THE
EMERALD COAST, INC. AND SUBSIDIARY**

**Consolidated Financial
Statements**

December 31, 2011

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COAST, INC. AND SUBSIDIARY**

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Board of Directors
Boys and Girls Clubs of the Emerald Coast, Inc.
and Subsidiary
Fort Walton Beach, Florida

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying consolidated statement of financial position of the Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary (the Organization), as of December 31, 2011, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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 consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization, as of December 31, 2011, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Board of Directors
Boys and Girls Clubs of the Emerald Coast, Inc.
and Subsidiary
Independent Auditor's Report (Continued)

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating statements of financial position and activities on pages 14 - 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Warren Averett, LLC

June 13, 2012

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2011

	Total
ASSETS	
Cash	\$ 687,705
Restricted cash	151,700
Receivables	166,762
Investments - unrestricted	9,580,904
Investments - restricted	3,221,671
Land, buildings, and equipment, net	21,487,597
TOTAL ASSETS	\$ 35,296,339
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 182,412
Accrued expenses	11,863
Retainage payable	25,000
Total liabilities	219,275
NET ASSETS	
Unrestricted	31,703,693
Temporarily restricted	3,373,371
Total net assets	35,077,064
TOTAL LIABILITIES AND NET ASSETS	\$ 35,296,339

The accompanying notes are an integral
part of these financial statements.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended December 31, 2011

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUES			
Contributions	\$ 167,433	\$ 148,600	\$ 316,033
Grants	554,903	-	554,903
Special events	130,672	-	130,672
Program and activity fees	577,407	-	577,407
Investment income	90,947	(33,213)	57,734
Rent	3,913	-	3,913
Miscellaneous	3,131	-	3,131
Loss on disposal of vehicle	(19,600)	-	(19,600)
TOTAL SUPPORT AND REVENUES	1,508,806	115,387	1,624,193
Net assets released from restrictions	<u>941,401</u>	<u>(941,401)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES AFTER NET ASSETS RELEASED FROM RESTRICTION	<u>2,450,207</u>	<u>(826,014)</u>	<u>1,624,193</u>
EXPENSES			
Program expenses	2,172,408	-	2,172,408
Management and general	794,097	-	794,097
Fundraising	244,446	-	244,446
TOTAL EXPENSES	<u>3,210,951</u>	<u>-</u>	<u>3,210,951</u>
CHANGE IN NET ASSETS	(760,744)	(826,014)	(1,586,758)
NET ASSETS - Beginning of year, restated	<u>32,464,437</u>	<u>4,199,385</u>	<u>36,663,822</u>
NET ASSETS - End of year	<u>\$ 31,703,693</u>	<u>\$ 3,373,371</u>	<u>\$ 35,077,064</u>

The accompanying notes are an integral
part of these financial statements.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2011

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES				
Compensation and related expenses				
Compensation	\$ 1,148,712	\$ 272,063	\$ 90,688	\$ 1,511,463
Employee benefits	20,012	4,740	1,580	26,332
Payroll taxes	83,962	19,886	6,629	110,477
Pension	<u>8,485</u>	<u>2,010</u>	<u>670</u>	<u>11,165</u>
Total compensation and related expenses	<u>1,261,171</u>	<u>298,699</u>	<u>99,567</u>	<u>1,659,437</u>
Other expenses				
Conferences and meetings	23,181	5,490	1,830	30,501
Curriculum expense	163,303	38,677	12,892	214,872
Depreciation	192,202	123,313	15,174	330,689
Dues and subscriptions	6,957	1,648	549	9,154
Fundraising	-	-	73,550	73,550
Insurance	114,932	27,221	9,074	151,227
Interest	4,008	949	316	5,273
Investment fees	-	57,461	-	57,461
Marketing	7,786	1,844	615	10,245
Miscellaneous	7,689	1,523	505	9,717
Office	54,741	23,656	4,322	82,719
Professional fees	116,914	80,850	9,222	206,986
Scholarships awarded	6,347	-	-	6,347
Rent	11,332	2,684	895	14,911
Repairs and maintenance	72,789	89,787	5,747	168,323
Transportation	35,342	18,100	2,790	56,232
Utilities	<u>93,714</u>	<u>22,195</u>	<u>7,398</u>	<u>123,307</u>
Total other expenses	<u>911,237</u>	<u>495,398</u>	<u>144,879</u>	<u>1,551,514</u>
TOTAL EXPENSES	<u>\$ 2,172,408</u>	<u>\$ 794,097</u>	<u>\$ 244,446</u>	<u>\$ 3,210,951</u>

The accompanying notes are an integral
part of these financial statements.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2011

	Total
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (1,586,758)
Adjustments to reconcile change in net assets to cash flows from operating activities	
Depreciation	330,689
Investment income	(57,734)
Loss on disposal of vehicle	19,600
Change in operating assets and liabilities	
Receivables	1,157,426
Prepaid insurance	9,356
Other assets	3,373
Accounts payable	(11,003)
Accrued expenses	(11,671)
Retainage payable	<u>25,000</u>
Net cash flows from operating activities	<u>(121,722)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Net proceeds from sale of investments	5,537,129
Purchase of investments	(3,752,685)
Purchase of land, building, and equipment	<u>(997,086)</u>
Net cash flows from investing activities	<u>787,358</u>
NET CHANGE IN CASH	665,636
CASH AT BEGINNING OF YEAR	<u>173,769</u>
CASH AT END OF YEAR	<u>\$ 839,405</u>
RECONCILIATION TO STATEMENT OF FINANCIAL POSITION	
Cash	\$ 687,705
Restricted cash	<u>151,700</u>
Total cash at end of year	<u>\$ 839,405</u>

The accompanying notes are an integral
part of these financial statements.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Purpose

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary is a not-for-profit organization incorporated under the laws of the State of Florida in 1967, for the purpose of inspiring and empowering all young people and their families, in partnership with the community, to achieve their full potential to Be Great. The Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary is primarily supported through donor contributions, membership fees, special events, and grants.

The Boys and Girls Clubs of the Emerald Coast Foundation, Inc. is a not-for-profit organization organized under the laws of the State of Florida on July 29, 2005, to support and carry out charitable and educational functions of the Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary by providing financial support and other aid to the Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary and to its beneficiaries as directed by the Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary as a supporting organization.

B. Principles of Consolidation

The consolidated financial statements include the accounts of the Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary and the Boys and Girls Clubs of the Emerald Coast Foundation, Inc. The Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary has both an economic interest in the Boys and Girls Clubs of the Emerald Coast Foundation, Inc. and control of the Boys and Girls Clubs of the Emerald Coast Foundation, Inc. through a majority voting interest in its governing board. All material intra-entity transactions have been eliminated. Hereinafter, the Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary and the Boys and Girls Clubs of the Emerald Coast Foundation, Inc. will be referred to as "the Organization".

C. Basis of Accounting

The Organization follows standards of accounting and financial reporting prescribed for voluntary health and welfare agencies. It uses the accrual basis of accounting, which reflects all significant receivables, payables, and other liabilities. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Pledges for contributions are recorded as received and allowances are provided for amounts if determined to be uncollectible.

The costs of providing the various programs and other activities have been detailed in the accompanying Consolidated Statement of Functional Expenses and summarized on a functional basis in the Consolidated Statement of Activities.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Salaries and other expenses, which are associated with a specific program, are charged directly to that program. Salaries and other expenses, which benefit more than one program, are allocated to the various programs based on the relative benefit provided. Most administrative expenses are allocated to the various programs based on each program's salary expense.

D. Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Codification Standards for Not-for-Profit Entities. Under the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification (ASC), the Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

- Unrestricted net assets are not restricted by donors, or the donor-imposed restrictions have expired. Board designated or appropriated amounts are reported as part of the unrestricted class since the Board has the authority to change or withdraw such designations or appropriations.
- Temporarily restricted net assets contain donor-imposed restrictions that require the Organization to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by actions of the Organization.

E. Cash and Cash Equivalents

For purposes of the Consolidated Statement of Cash Flows, the Organization considers all unrestricted highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

F. Investments

The Organization's investments are in mutual funds and money market accounts and are classified as "available for sale" securities in accordance with the Investments Subtopic of the Not-for-Profit Entities Topic of the FASB ASC. The investments are measured at fair value using quoted prices in active markets for identical assets (Level 1 Inputs). All realized and unrealized gains and losses are included in the change in net assets for the year.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Allowance for Doubtful Accounts

The carrying amount of receivables is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all promises to give to determine the collectability of the pledge. After all attempts to collect on a pledge have been exhausted, the receivable is written off against the allowance.

H. Land, Buildings, and Equipment

Land, buildings and equipment are recorded at cost, or at fair market value if donated. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. The Organization follows the practice of capitalizing acquisitions of assets in excess of \$1,500. Depreciation expense is reported in the Consolidated Statement of Activities as a decrease in unrestricted net assets, and is calculated using the straight-line method with useful lives ranging from 5 to 39 years.

I. Compensated Absences

Employees of the Organization are entitled to paid time off depending on job classification, length of service, and other factors. These benefits lapse upon termination. Eligible employees begin to accrue paid time off on the first day of employment; however, they are not eligible to use the paid time off until after a 90 day probationary period. Earned paid time off benefits from the prior year greater than 40 hours lapse. In the event of termination, an employee is entitled to receive the vacation days accrued for the current calendar year only. The Organization was not liable for any accrued compensated absences at December 31, 2011.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Restricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other 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 (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statement of Activities as net assets released from restrictions.

K. Donated Space, Materials and Services

Donated space and materials are reflected in the accompanying statements at their estimated fair market values. No material amounts have been reflected in the financial statements for donated services; however, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific program services and campaign solicitation.

L. Income Taxes

The Organization has been granted an exemption from income taxes under Internal Revenue Code, Section 501(c)(3) as a not-for-profit corporation. The Organization is not aware of any uncertain tax positions that would require disclosure or accrual in accordance with generally accepted accounting principles. The Organization annually files Form 990 as required for not-for-profit entities. These returns are subject to examination by the applicable taxing authorities for the last three preceding years.

M. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

N. Subsequent Events

The Organization has evaluated events and transactions that occurred between December 31, 2011 and June 13, 2012, which is the date the financial statements were available to be issued, for possible recognition of disclosure in the financial statements.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 2 - RECEIVABLES

The Organization's receivables at December 31, 2011 consisted of the following:

Due from the Florida Department of Education	\$ 152,063
Due from employees	4,119
Due from Boys and Girls Clubs of Bay County, Inc.	<u>10,580</u>
Total	<u>\$ 166,762</u>

NOTE 3 - INVESTMENTS

The Organization's investments at December 31, 2011 are recorded at fair value as summarized below:

	<u>Cost</u>	<u>Fair Value</u>
Bank deposit program and money market funds	\$ 1,069,288	\$ 1,069,288
Mutual Funds	<u>11,388,614</u>	<u>11,733,277</u>
Totals	<u>\$ 12,457,902</u>	<u>\$ 12,802,565</u>
Reconciliation of investments to Statement of Financial Position:		
Investments - unrestricted		\$ 9,580,904
Investments - restricted		<u>3,221,671</u>
Totals		<u>\$ 12,802,575</u>

Investment income in the Consolidated Statement of Activities consisted of the following for the year ended December 31, 2011:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest and dividends	\$ 234,443	\$ 207,261	\$ 441,704
Realized gain	250,166	225,871	476,037
Unrealized loss	<u>(393,662)</u>	<u>(466,345)</u>	<u>(860,007)</u>
Totals	<u>\$ 90,947</u>	<u>\$ (33,213)</u>	<u>\$ 57,734</u>

NOTE 4 - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment at December 31, 2011 consisted of the following:

Building and improvements	\$ 8,239,135
Construction in process	1,702,661
Land and improvements	12,201,447
Furniture and equipment	363,558
Vehicles	<u>310,123</u>
Total land, buildings, and equipment	22,816,924
Less accumulated depreciation	<u>(1,329,327)</u>
Total land, buildings, and equipment, net	<u>\$ 21,487,597</u>

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets of \$3,373,371 at December 31, 2011 consisted of the following:

Amounts restricted for the design/construction of the South Walton County Club facility	\$ 2,178,738
Amounts restricted for programming activities at the South Walton County Club facility	1,042,933
Amounts restricted for the DeFuniak Springs Club facility - outside travel	20,000
Amounts restricted for capital expenditures to open a youth unit in Milton, Florida	128,600
Other	<u>3,100</u>
Total	<u>\$ 3,373,371</u>

NOTE 6 - RETIREMENT PLAN

The Organization participates in a qualified retirement plan in which the Organization makes a matching contribution equal to 5% of each eligible employee's annual gross salary. Employees are eligible to participate in the plan after one full year of continuous service. Employees become 100% vested immediately upon entry into the plan. Retirement expense for the year ended December 31, 2011 totaled \$11,165.

NOTE 7 - 21ST CENTURY COMMUNITY LEARNING CENTERS GRANT

In August 2011, the Organization was awarded the 21st Century Community Learning Centers Grant with a total funding amount of \$496,180 for the period of August 2011 through July 2012. The grant encompasses four counties and is administered by the Organization. All funding is received upon submission and approval of requests for reimbursement of qualifying expenditures. Total qualifying expenditures incurred through December 31, 2011 were \$152,063, of which \$30,047 was associated with the Boys and Girls Clubs of Bay County, Inc. (BGCBC). Of the total amount associated with BGCBC, \$22,993 is included in accounts payable at December 31, 2011 and the remaining amount of \$7,054 has been applied towards the amount receivable from BGCBC for prior year advances from the Organization, resulting in a receivable balance of \$10,580 at December 31, 2011.

NOTE 8 - RELATED PARTY TRANSACTION

In accordance with a separation of employment agreement between the Organization and its President dated April 29, 2011, the Organization transferred title to one of its vehicles to the departing President. As a result of this transaction, a loss on disposal of vehicle was recognized by the Organization in the amount of \$19,600 for the year ended December 31, 2011.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 9 - COMMITMENTS

During 2011, the Organization contracted with two general contractors for the construction of the South Walton Boys and Girls Club facility. The total sum of the construction contracts was \$3,953,417, of which \$536,297 in construction costs had been incurred, resulting in a contract commitment of \$3,442,120 as of December 31, 2011.

NOTE 10 - BOYS AND GIRLS CLUBS OF AMERICA

The Organization is a member of the Boys and Girls Clubs of America (BGCA). In December 2011, the Organization received notification from BGCA that it was being placed on provisional membership status effective immediately as a result of the Organization not submitting its financial statement audit and management letter for the year ended December 31, 2010. Such submission is a requirement of membership in accordance with the National Council's established Guidelines and Operating Standards for membership in Boys and Girls Clubs. As of the date of this report, the Organization has submitted the required information and received notification from BGCA that it has been removed from provisional membership status and restored to "Member" status in the National Council.

NOTE 11 - RESTATEMENT OF NET ASSETS

During our audit of net assets, we determined that the cumulative total of net assets released from restriction in prior years was understated. As a result, the classification of net assets as of December 31, 2010, as previously reported, was in error. The effect of the correction is an increase to beginning of the year unrestricted net assets of \$5,822,609, with a corresponding decrease to beginning of the year temporarily restricted net assets of \$5,822,609.

SUPPLEMENTAL INFORMATION

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2011

	<u>Organization</u>	<u>Foundation</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
ASSETS				
Cash	\$ 329,563	\$ 358,142	\$ -	\$ 687,705
Restricted cash	151,700	-	-	151,700
Receivables	166,762	-	-	166,762
Investments - unrestricted	-	9,580,904	-	9,580,904
Investments - restricted	-	3,221,671	-	3,221,671
Land, buildings and equipment, net	<u>8,205,802</u>	<u>13,281,795</u>	-	<u>21,487,597</u>
TOTAL ASSETS	<u>\$ 8,853,827</u>	<u>\$ 26,442,512</u>	<u>\$ -</u>	<u>\$ 35,296,339</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 174,922	\$ 7,490	\$ -	\$ 182,412
Retainage payable	25,000	-	-	25,000
Accrued expenses	<u>11,863</u>	<u>-</u>	<u>-</u>	<u>11,863</u>
Total liabilities	<u>211,785</u>	<u>7,490</u>	<u>-</u>	<u>219,275</u>
NET ASSETS				
Unrestricted	8,490,342	23,213,351	-	31,703,693
Temporarily restricted	<u>151,700</u>	<u>3,221,671</u>	<u>-</u>	<u>3,373,371</u>
Total net assets	<u>8,642,042</u>	<u>26,435,022</u>	<u>-</u>	<u>35,077,064</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,853,827</u>	<u>\$ 26,442,512</u>	<u>\$ -</u>	<u>\$ 35,296,339</u>

See independent auditor's report.

Boys and Girls Clubs of the Emerald Coast, Inc. and Subsidiary
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended December 31, 2011

	Organization		Foundation		Eliminating Entries	Consolidated Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted		
SUPPORT AND REVENUES						
Contributions	\$ 163,933	\$ 148,600	\$ 3,500	\$ -	\$ -	\$ 316,033
Foundation contributions	2,235,573	-	-	-	(2,235,573)	-
Grants	554,903	-	-	-	-	554,903
Special events	130,672	-	-	-	-	130,672
Program and activity fees	577,407	-	-	-	-	577,407
Interest income - related party debt	-	-	164,005	-	(164,005)	-
Investment income	-	-	90,947	(33,213)	-	57,734
Rent	3,913	-	-	-	-	3,913
Miscellaneous	3,131	-	-	-	-	3,131
Gain (loss) on cancellation of debt	148,895	-	(148,895)	-	-	-
Loss on disposal of vehicle	(19,600)	-	-	-	-	(19,600)
Total support and revenues	<u>3,798,827</u>	<u>148,600</u>	<u>109,557</u>	<u>(33,213)</u>	<u>(2,399,578)</u>	<u>1,624,193</u>
 Net assets released from restrictions	 -	 -	 941,401	 (941,401)	 -	 -
 TOTAL SUPPORT AND REVENUES AFTER NET ASSETS RELEASED FROM RESTRICTION	 <u>3,798,827</u>	 <u>148,600</u>	 <u>1,050,958</u>	 <u>(974,614)</u>	 <u>(2,399,578)</u>	 <u>1,624,193</u>
 EXPENSES						
Program expenses	2,295,802	-	2,236,823	-	(2,360,217)	2,172,408
Management and general	543,880	-	281,378	-	(31,161)	794,097
Fundraising	205,146	-	47,500	-	(8,200)	244,446
Total expenses	<u>3,044,828</u>	<u>-</u>	<u>2,565,701</u>	<u>-</u>	<u>(2,399,578)</u>	<u>3,210,951</u>
 CHANGE IN NET ASSETS	 753,999	 148,600	 (1,514,743)	 (974,614)	 -	 (1,586,758)
 NET ASSETS - Beginning of year, restated	 <u>7,736,343</u>	 <u>3,100</u>	 <u>24,728,094</u>	 <u>4,196,285</u>	 <u>-</u>	 <u>36,663,822</u>
 NET ASSETS - End of year	 <u>\$ 8,490,342</u>	 <u>\$ 151,700</u>	 <u>\$ 23,213,351</u>	 <u>\$ 3,221,671</u>	 <u>\$ -</u>	 <u>\$ 35,077,064</u>

See independent auditor's report.