

PARENTING PLACE

Financial Statements

For the year ended December 31, 2010

(With Independent Auditor's Report Thereon)

CONTENTS

Independent Auditors Report	Page 1
Statements of Financial Position	Page 2
Statements of Activities	Page 3
Statements of Cash Flows	Page 4
Statements of Functional Expenses	Page 5
Notes to Financial Statements	Pages 6-10

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Parenting Place

I have audited the accompanying statement of financial position of Parenting Place, (a nonprofit organization) as of December 31, 2010 and the related statement of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Parenting Place, as of December 31, 2010, 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.

[Joseph E. Moore, CPA, PC](#)

Joseph E. Moore, CPA
Boulder, Colorado
June 20, 2011

PARENTING PLACE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2010
(with comparative totals for December 31,2009)

	<u>2010</u>	<u>2009</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 98,964	\$ 107,502
Accounts Receivable	-	481
Unconditional promises to give	89,693	63,950
Prepaid Expenses	7,808	9,263
Equities	<u>25,394</u>	<u>-</u>
TOTAL CURRENT ASSETS	221,859	181,196
Property and equipment, less accumulated depreciation of \$23,610 for 2010 and \$20,545 for 2009	6,922	9,987
TOTAL ASSETS	<u><u>\$ 228,781</u></u>	<u><u>\$ 191,183</u></u>
 LIABILITIES		
Accounts payable and accrued expenses	<u>\$ 13,464</u>	<u>\$ 9,616</u>
TOTAL LIABILITIES	13,464	9,616
 NET ASSETS		
Unrestricted	144,711	124,067
Temporarily restricted	<u>70,606</u>	<u>57,500</u>
TOTAL NET ASSETS	<u>215,317</u>	<u>181,567</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 228,781</u></u>	<u><u>\$ 191,183</u></u>

See accompanying notes.

PARENTING PLACE
STATEMENT OF ACTIVITIES
For the year ended December 31, 2010
(with comparative totals for December 31,2009)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2010</u>	<u>Total 2009</u>
Public support and revenue				
Public Support				
Government grants and contracts	\$ 87,356	\$ 3,439	\$ 90,795	\$ 63,000
Non-governmental grants	185,867	67,167	253,034	236,753
Contributions	83,453	-	83,453	61,048
Fund-raising events	53,932	-	53,932	62,329
	<u>410,608</u>	<u>70,606</u>	<u>481,214</u>	<u>423,130</u>
Net assets released from restriction	57,500	(57,500)	-	-
Total public support	<u>468,108</u>	<u>13,106</u>	<u>481,214</u>	<u>423,130</u>
Other revenue				
Newsletter advertising and subscriptions	-	-	-	26,009
Memberships	3,410	-	3,410	5,196
Interest	2,909	-	2,909	1,106
Other	-	-	-	1,789
Total other revenue	<u>6,319</u>	<u>-</u>	<u>6,319</u>	<u>34,100</u>
Total public support and revenue	<u>474,427</u>	<u>13,106</u>	<u>487,533</u>	<u>457,230</u>
Expenses				
Program services	333,300	-	333,300	428,270
Fundraising	73,858	-	73,858	64,359
Administration	46,625	-	46,625	21,938
Total expenses	<u>453,783</u>	<u>-</u>	<u>453,783</u>	<u>514,566</u>
Change in net assets	<u>20,644</u>	<u>13,106</u>	<u>33,750</u>	<u>(57,336)</u>
Net assets, beginning of year as as previously reported	124,067	57,500	181,567	208,903
Prior period adjustment	-	-	-	30,000
Net assets, beginning of year as restated	<u>124,067</u>	<u>57,500</u>	<u>181,567</u>	<u>238,903</u>
Net assets, end of year	<u>\$ 144,711</u>	<u>\$ 70,606</u>	<u>\$ 215,317</u>	<u>\$ 181,567</u>

See accompanying notes.

PARENTING PLACE
STATEMENT OF CASH FLOWS
For the years ended December 31,
(with comparative totals for December 31,2009)

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Change in net assets	\$ 33,750	\$ (57,336)
Adjustments to reconcile change in ner assets to net cash provided by operating activities:		
Depreciation	3,065	4,035
Decreases (increases) in operating assets:		
Accounts and grants receivable	481	2,314
Unconditional promises to give	(25,743)	(33,950)
Prepaid Expenses	1,455	2,839
Equities	(25,394)	-
Increase (decrease) in operating liabilities:		
Accounts payable	3,848	6,878
Total adjustments	<u>(42,288)</u>	<u>(17,884)</u>
Net cash flows from operating activities	(8,538)	(75,220)
Net cash used by investing activities	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(8,538)	(75,220)
Cash at beginning or period	107,502	182,722
Cash at December 31	<u>\$ 98,964</u>	<u>\$ 107,502</u>

See accompanying notes.

PARENTING PLACE
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2010
(with comparative totals for December 31,2009)

	2010				2009			
	Program Services	Fund Raising	Administration	Total	Program Services	Fund Raising	Administration	Total
Salaries and Related	\$214,844	\$26,137	\$ 29,085	\$270,066	\$ 258,452	\$ 22,059	\$ 9,197	\$ 289,709
Fundraising Events	-	38,456	-	38,456	-	31,386	-	31,386
Grantwriting	-	-	-	-	-	4,855	-	4,855
Dues and Subscriptions	2,396	-	491	2,887	2,303	-	472	2,775
Professional fees	2,125	258	2,788	5,171	3,059	200	3,072	6,331
Occupancy	37,018	4,503	5,011	46,533	39,036	3,481	3,206	45,723
Bank Fees	-	-	2,645	2,645	-	-	2,098	2,098
Insurance	4,410	537	597	5,544	3,300	295	271	3,865
Child Care	1,551	-	-	1,551	7,000	-	-	7,000
Telephone	2,806	341	380	3,527	3,800	324	136	4,260
Printing and Postage	2,584	2,584	2,663	7,831	2,787	933	621	4,341
Supplies	32,205	-	1,807	34,012	17,066	-	2,105	19,171
Newsletter	705	-	-	705	48,740	-	-	48,740
Community Outreach	2,631	-	-	2,631	3,675	-	-	3,675
Parent Education	3,160	-	-	3,160	6,074	-	-	6,074
Staff Training and Development	6,432	-	-	6,432	11,731	-	-	11,731
Travel	2,009	-	-	2,009	1,571	-	-	1,571
Other	562	-	-	562	1,820	-	-	1,820
Depreciation	2,438	297	330	3,065	3,445	307	282	4,035
Emergency Fund	9,305	-	-	9,305	8,601	-	-	8,601
Cleaning and Repairs	6,118	744	828	7,691	5,809	518	477	6,805
Total Functional Expenses	<u>\$333,300</u>	<u>\$73,858</u>	<u>\$ 46,625</u>	<u>\$453,783</u>	<u>\$ 428,270</u>	<u>\$ 64,359</u>	<u>\$ 21,938</u>	<u>\$ 514,566</u>

**PARENTING PLACE
NOTES TO FINANCIAL STATEMENTS**

NOTE A: NATURE OF ACTIVITIES

Parenting Place is a not-for-profit Colorado corporation organized under Section 501(c)(3) of the Internal Revenue Code. Parenting Place is a family resource center whose mission is to relieve isolation, reduce the stress of parenting, and prevent child abuse and neglect by providing outreach and a place where families can receive support, education, and develop a sense of community. Activities include support groups, parenting classes, case management and providing resources, referrals and educational materials.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

In accordance with ASC Topic 958-210, the Organization is required to report information regarding its financial position and activities according to three classes of net assets based on externally (donor) imposed restrictions: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization had no permanently restricted net assets at December 31 2010 and 2009.

**PARENTING PLACE
NOTES TO FINANCIAL STATEMENTS**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted contributions are 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 statement of activities as net assets released from restrictions. Contributions whose restrictions are met in the same year are reported as unrestricted support.

The Organization had temporarily restricted assets of \$70,606 and \$57,500 at December 31, 2010 and 2009 respectively.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the organization considers all highly liquid debt instruments with a maturity of less than three months to be cash equivalents. As of December 31, 2010 cash consisted solely of currency on hand, demand deposits and certificates of deposit.

Property and Equipment

Property and equipment is recorded at the original cost or, if donated, the fair market value at the date of the donation. The Organization capitalizes items with an original value greater than \$500 and a life of more than one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The cost of repairs and maintenance that do not extend the useful life of the assets are charged to expense as incurred

Income Taxes

The Organization has received determination from the Internal Revenue Service that it qualifies as a public charity under the requirements of Section 501 (C)(3) of the Internal Revenue Code. In accordance with the Internal Revenue Code, the Organization is taxed solely on revenue not related to their exempt function (unrelated business income). The Organization currently has no unrelated business income. Accordingly, no provision has been made for income taxes.

**PARENTING PLACE
NOTES TO FINANCIAL STATEMENTS**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Financial Statements

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended December 31, 2009, from which the summarized information was derived. Certain prior year amounts have been reclassified to conform to current year presentation.

Functional Allocation of Expenses

The costs of providing the program and supporting services of the Organization have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the functional categories benefited.

NOTE C: CERTIFICATES OF DEPOSIT

Certificates of deposit totaling \$30,802 (\$29,892 at December 31, 2009) are included in cash in the accompanying financial statements. The certificates bear interest ranging from .2% to .25% and have maturities ranging from eight to sixteen months.

NOTE D: PROPERTY AND EQUIPMENT

The Organizations property and equipment consists of the following at December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Leasehold Improvements	\$ 17,000	\$ 17,000
Furniture and equipment	<u>13,532</u>	<u>13,532</u>
	30,532	30,532
Accumulated depreciation	<u>(23,610)</u>	<u>(20,545)</u>
	<u>\$ 6,922</u>	<u>\$ 9,987</u>

**PARENTING PLACE
NOTES TO FINANCIAL STATEMENTS**

NOTE E: IN-KIND CONTRIBUTIONS

Contributed goods and services are reflected in the financial statements at fair value. Contributions of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The fair value of contributed goods and services received during 2010 and 2009 were as follows:

	<u>Period Ended</u>	
	<u>12/31/10</u>	<u>12/31/09</u>
Program materials	\$ 10,894	\$ 11,862
Program staff support, technical assistance and program development costs	11,910	10,070
Marketing material	6,580	1,165
Program evaluation	2,295	301
Other assistance	1,515	579
Event facility use	<u>-</u>	<u>1,150</u>
	<u>\$ 33,194</u>	<u>\$ 25,127</u>

Many individuals volunteer their time and perform a variety of tasks within the Organization's programs. However, these services do not meet the criteria for recognition as contributed services in accordance with accounting principles generally accepted in the United States of America.

NOTE F: LEASE COMMITMENT

The Organization leased office and program space for \$3,300 per month until May 31, 2011. The Organization had the option to extend the lease for an additional two years for \$3,400 per month, which it exercised in March 2011. The Organization now leases office and program space for \$3,400 per month until May 31, 2013. Office lease expense was \$45,282 and 44,562 in 2010 and 2009 respectively.

The Organization entered onto a lease agreement for office equipment beginning June 2010 under a sixty three month contract. Lease expense was \$3,662 and \$2,942 for the years ended December 31, 2010 and 2009.

**PARENTING PLACE
NOTES TO FINANCIAL STATEMENTS**

NOTE F: LEASE COMMITMENT (continued)

Future annual lease payments based on the required monthly payments are as follows:

2011	\$ 43,560
2012	43,560
2013	19,760
2014	2,760
2015	<u>1,840</u>
Total	<u>\$ 111,480</u>

NOTE G: SUBSEQUENT EVENTS

Management evaluated subsequent events through June 1, 2011, the date the financial statements were available to be issued. There are no subsequent events to be reported through June 1, 2011.