

ALL OUR KIN, INC.
Financial Statements
For the Year Ended
December 31, 2011

ALL OUR KIN, INC.
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KIRCALDIE, RANDALL & MCNAB LLC

CERTIFIED PUBLIC ACCOUNTANTS

NORTH HAVEN, CONNECTICUT 06473

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
All Our Kin, Inc.
New Haven, Connecticut

We have audited the accompanying statement of financial position of

ALL OUR KIN, INC.,
(a nonprofit organization)

as of December 31, 2011, and the related statements of activities, functional expenses, changes in net assets and cash flows for the year 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 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 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, the financial statements referred to above present fairly, in all material respects, the financial position of All Our Kin, Inc., as of December 31, 2011, and the results of its operations and changes in fund balances for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Kircaldie Randall & McNab LLC

North Haven, Connecticut
May 1, 2012

ALL OUR KIN, INC
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011

ASSETS:

Current assets:

| | |
|----------------------|-------------------|
| Cash | \$ 201,645 |
| Accounts receivable | 107,142 |
| Advances receivable | 2,505 |
| Loans receivable | 8,264 |
| Total current assets | <u>\$ 319,556</u> |

| | |
|------------------------|------------------|
| Furniture and fixtures | <u>\$ 20,776</u> |
|------------------------|------------------|

Other assets:

| | |
|--------------|--------------------------|
| Deposits | <u>\$ 2,000</u> |
| Total assets | <u><u>\$ 342,332</u></u> |

LIABILITIES:

Current liabilities:

| | |
|---------------------------|-----------------|
| Accounts payable | \$ 2,057 |
| Accrued payroll taxes | 5 |
| Total current liabilities | <u>\$ 2,062</u> |

Long-term liabilities:

| | |
|-------------------|------------------|
| Loan funds | \$ 35,000 |
| Total liabilities | <u>\$ 37,062</u> |

NET ASSETS:

| | |
|----------------------------------|--------------------------|
| Net assets-unrestricted | <u>\$ 305,270</u> |
| Total liabilities and net assets | <u><u>\$ 342,332</u></u> |

KIRCALDIE, RANDALL & McNAB LLC

ALL OUR KIN, INC
STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011

Support and Revenue

| | |
|---------------------------|---------------------|
| Grants | \$ 243,910 |
| Contributions | 724,997 |
| Conferences | 19,227 |
| Interest income | 139 |
| Program services | 37,627 |
| Total support and revenue | <u>\$ 1,025,900</u> |

Expenses

| | |
|------------------------|-------------------|
| Program services | \$ 745,881 |
| Fundraising | 68,076 |
| Management and general | 127,221 |
| Total expenses | <u>\$ 941,178</u> |

| | |
|---|--------------------------|
| Excess support and revenue over expenses | \$ 84,722 |
| Net assets, beginning January 1, | 220,548 |
| Net assets ending, December 31, | <u>\$ 305,270</u> |

KIRCALDIE, RANDALL & McNAB LLC

ALL OUR KIN, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011

| | <u>Program</u> <u>Services</u> | <u>Fund</u> <u>Raising</u> | <u>Management</u> <u>and General</u> | <u>Total</u> |
|--------------------------|-----------------------------------|-------------------------------|---|-------------------|
| Advertising | \$ 360 | \$ | \$ | \$ 360 |
| Bank fees | | | 527 | 527 |
| Dues and subscriptions | | | 327 | 327 |
| Child care EHS | 138,207 | | | 138,207 |
| Fundraising events | | 3,603 | | 3,603 |
| Insurance | 19,457 | | | 19,457 |
| Licensing | 603 | | | 603 |
| Meetings & conferences | 43,375 | 19,387 | | 62,762 |
| Educational material | 30,489 | | | 30,489 |
| Payroll | 293,213 | 38,147 | 72,737 | 404,097 |
| Benefits | 48,437 | | 10,633 | 59,070 |
| Payroll taxes | 25,256 | 2,990 | 6,200 | 34,446 |
| Postage | 4,318 | 823 | | 5,141 |
| Prints and reproductions | 5,281 | 3,126 | | 8,407 |
| Professional development | 51 | | | 51 |
| Rent | 27,225 | | 7,679 | 34,904 |
| Professional fees | 36,076 | | 21,547 | 57,623 |
| Outside services | 20,188 | | | 20,188 |
| Scholarships | 1,225 | | | 1,225 |
| Spending grant | 594 | | | 594 |
| Supplies | 24 | | 5,250 | 5,274 |
| Toll kit | 14,450 | | | 14,450 |
| Training | 1,963 | | | 1,963 |
| Travel | 13,571 | | | 13,571 |
| Utilities | 4,306 | | 1,215 | 5,521 |
| Telephone | 5,321 | | 137 | 5,458 |
| Maintenance | 86 | | 24 | 110 |
| Website | 4,305 | | 945 | 5,250 |
| Stipends | 7,500 | | | 7,500 |
| Total | <u>\$ 745,881</u> | <u>\$ 68,076</u> | <u>\$ 127,221</u> | <u>\$ 941,178</u> |

KIRCALDIE, RANDALL & McNAB LLC

ALL OUR KIN, INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011

Cash Flows from Operating Activities:

| | |
|--|-----------|
| Excess of support and revenue over expenses | \$ 84,722 |
| Adjustments to reconcile to net cash from operations | |
| Increase (decrease) in accounts receivable | (43,552) |
| Increase (decrease) in advances receivable | 2,582 |
| (Increase) decrease in accounts payable | (9,418) |
| (Increase) decrease in accrued payroll taxes | (2,064) |
| Net cash flows provided (used) by operating activities | \$ 32,270 |

Cash Flows from Investing Activities:

| | |
|--|----------|
| Purchase of furniture and fixtures | \$ 0 |
| Deposits | 0 |
| Loan receivable, net | 8,945 |
| Net cash flows provided (used) by investing activities | \$ 8,945 |

Cash Flows from Financing Activities:

| | |
|--|------|
| Loan fund, net | \$ |
| Net cash flows provided (used) by financing activities | \$ 0 |

| | |
|--|------------|
| Net increase (decrease) in cash | \$ 41,215 |
| Cash-beginning of the year | 160,430 |
| Cash-end of year | \$ 201,645 |

Supplemental disclosure of Cash Flows Information

| | |
|-------------------|------|
| Interest paid | \$ 0 |
| Income taxes paid | \$ 0 |

KIRCALDIE, RANDALL & McNAB LLC

ALL OUR KIN, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Organization

All Our Kin, Inc., is a non-stock, not-for-profit corporation organized in Connecticut to provide high-quality early care and education for all children, in the New Haven, Connecticut area. The organization runs all its operations out of leased space in New Haven, Connecticut.

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.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded as incurred.

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 Organization 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. There was no temporarily restricted net assets at December 31, 2011. There were no permanently restricted net assets on December 31, 2011.

Contributions

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

ALL OUR KIN, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies (Continued)

Contributions

All 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 statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of financial statement presentation, the Organization considers all highly liquid investments with a maturity of six months or less to be cash equivalents.

Income Taxes

The Organization is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and therefore, no provision for income taxes has been made. The Organization is a public charity, not a private foundation.

Property and Equipment and Depreciation

Property and equipment are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts, less accumulated depreciation. Minor additions and renewals are expenses in the year incurred. Major additions and renewals are capitalized. There has been no provision for depreciation during the year ended December 31, 2011.

Note 2 – Cash

The following is a breakdown of cash at December 31, 2011

| | |
|---------------|-------------------|
| Cash-checking | \$ 136,450 |
| Cash-paypal | 7,659 |
| Cash-savings | <u>57,536</u> |
| | <u>\$ 201,645</u> |

Note 3 Loans Receivable

The Organization, as part of its assistance to child care providers, loans out funds. The balance of these loans receivable at December 31, 2011 is \$8,264.

ALL OUR KIN, INC.
NOTES TO FINANCIAL STATEMENTS

Note 4 Loan Funds

The Organization has received restricted grants fund to help provide in the organizations assistance to child care providers. At December 31, 2011 the balance of these restricted grants is \$35,000.

Note 5 Economic Dependency

All Our Kin, Inc., derives a substantial portion of its revenue from donations and grants from public and private individuals. If the economic conditions change and the Organization can't sustain its current level of contributions, the Organization will have difficulty in continuing in its current form and function.