

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

REVIEWED FINANCIAL STATEMENTS

JUNE 30, 2010

**Janosko, Dougherty & Associates, LLC
4048 Deltona Blvd
Spring Hill, FL 34606**

JANOSKO, DOUGHERTY & ASSOCIATES, LLC

CPA Financial Advisors

. Tax work

. Financial Management

. Accounting

Independent Accountants' Report

November 15, 2010

Board of Directors

Boys and Girls Club of Hernando County, Inc.

Spring Hill, FL 34606

We have reviewed the accompanying statement of financial position of the Boys and Girls Club of Hernando County, Inc. (a nonprofit corporation) as of June 30, 2010 and related statements of activities, functional expenses and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Boys and Girls Club of Hernando County, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



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BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2010

	2010
ASSETS	
CURRENT ASSETS	
Cash - Unrestricted	\$ 21,187
Cash - Restricted	708
Accounts Receivable	14,991
Other Current Assets	23,174
TOTAL CURRENT ASSETS	60,060
FIXED ASSETS, Net of Depreciation	15,313
TOTAL ASSETS	<u>\$ 75,373</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 308
Accrued Payroll	7,573
Accrued Payroll Tax Liabilities	3,229
TOTAL CURRENT LIABILITIES	11,109
NET ASSETS	
Unrestricted	63,555
Restricted	708
TOTAL NET ASSETS	64,263
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 75,373</u>

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

2010

UNRESTRICTED NET ASSETS INCOME

SUPPORT INCOME

Revenue From Indirect Contributions

United Way of Tampa \$ 55

Gift Cards 20

Total Revenue From Indirect Contributions 75

Governmental Grants 47,116

Contributions - Corporate & Business 10,290

Contributions - Individual/Organization 610

Contributions - Board Members 350

Total Support 58,441

Registration Fees

Before & After School Care 60,087

Summer Program 64,740

Professional Days 6,317

Total Registration Fee Revenue 131,144

Foundation

Community Foundation of Hernando Co. 4,000

Wal-Mart Foundation 1,710

Total Foundation Revenue 5,710

Revenue From Other Sources

Fundraising 6,003

Concession Stand Profit 2,223

Steak 'N' Steak Special Event 7,587

Total Revenue From Other Sources 15,813

Revenue From Investments

Interest Earnings 14

Total Revenue From Investments 14

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

2010

Total Revenue	<u>152,682</u>
TOTAL UNRESTRICTED NET ASSETS INCOME	211,123
EXPENDITURES	
Program Services	
Youth Health, Education and Recreation	160,664
(Gain) Loss on Disposition of Program Fixed Asset	(192)
Support Services	
Management and General	63,223
Fundraising	<u>1,375</u>
TOTAL EXPENDITURES	225,070
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	(13,948)
TEMPORARILY RESTRICTED NET ASSETS	
Revenue	
Publix Supermarket Charities - Teen Program	4,000
Expenditures Publix Supermarket Charities	<u>3,292</u>
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	<u>708</u>
INCREASE (DECREASE) IN NET ASSETS	(13,240)
NET ASSETS, BEGINNING OF YEAR	<u>77,503</u>
NET ASSETS, END OF YEAR	<u><u>\$ 63,555</u></u>

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES FOR THE PROGRAM AND SUPPORT SERVICES
FOR THE YEAR ENDED JUNE 30, 2010

	Program Services		Support Services	
	Youth Health, Education, Recreation	Management & General	Fundraising	Total
EXPENDITURES				
Accounting Fees		4,793		4,793
Advertising	914			914
Auto		1,906		1,906
Bank Service Charges		128		128
Conferences and Meetings		2,351		2,351
Dues & Subscriptions	4,840			4,840
Employee Insurance		5,922		5,922
Fundraising Direct Expenses			1,275	1,275
Gifts			100	100
Insurance		3,510		3,510
Licenses		61		61
Meals & Entertainment	1,156			1,156
Office Supplies		4,557		4,557
Officer Compensation	32,991			32,991
Other Salaries	77,821	23,345		101,166
Payroll Taxes	11,454	2,516		13,969
Penalties and Interest		61		61
Postage and Shipping		201		201
Printing and Reproduction		4,082		4,082
Professional Fees - Employees	1,186			1,186
Program Expenses: Arts & Crafts	6,342			6,342
Program Expenses: Field Trips	2,902			2,902
Program Expenses: Food & Beverage	5,421			5,421
Program Expenses: Games, Movies, etc.	2,325			2,325
Program Expenses: Special Events	1,193			1,193
Repairs and Maintenance	3,856			3,856
Retirement Benefits		2,127		2,127
Telephone and Telecommunication		4,984		4,984
Travel and Lodging		533		533
Workers' Compensation	1,008	221		1,230
Vacation Pay		1,926		1,926
Rent, parking, other occupancy	540			540
	153,949	63,223	1,375	218,547
EXPENDITURES				
Depreciation	6,715			6,715
Add (Loss) on Disposition	(192)			(192)
	\$ 160,472	\$ 63,223	\$ 1,375	\$ 225,070
TOTAL EXPENDITURES				
PERCENTAGE OF TOTAL EXPENDITURES	71.30%	28.09%	0.61%	99.99%
			\$	-

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets	\$ (12,081)
provided by operating activities	
Depreciation	6,715
(Increase) Decrease in Accounts Receivable	(11,272)
Increase (Decrease) in Accounts Payable	(3,457)
Increase (Decrease) in Other Current Liabilities	6,251
(Increase) Decrease in Other Current Assets	787
(Increase) Decrease in Fixed Assets	<u>(1,453)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	(14,510)
CASH FLOWS FROM INVESTING ACTIVITIES	-
CASH FLOWS FROM FINANCING ACTIVITIES	-
NET INCREASE IN CASH	(14,510)
CASH AT BEGINNING OF YEAR	<u>35,697</u>
CASH AT END OF YEAR	<u><u>\$ 21,187</u></u>

NOTES TO THE FINANCIAL STATEMENTS

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

Notes to the Financial Statements

For the Year Ended June 30, 2010

Accounts Receivable: Accounts receivable consists of the before and after school program and summer camp fees due. Accounts receivable reported of \$14,991 represents billings the organization realistically expects to collect. Therefore, no expense for bad debt has been recognized.

Fixed Assets: Fixed assets are capitalized and recorded at cost for purchased items and at fair market value at the time of receipt for donated items. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. The cost and accumulated depreciation of fixed assets sold or retired is removed from the related asset and accumulated depreciation accounts and any resulting gain or loss is recorded in the year of disposal.

Other Current Assets: The amount reported, \$23,174 is due from a former employee who is under a payment restitution plan. She pays \$87.41 per month until her debt is satisfied.

Advertising: Advertising costs are expensed as incurred.

Tax status: The organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and currently engages in no activities which are considered to be subject to unrelated business income taxes.

NOTE B – Basic programs

The following are components of the organization's youth, health, education and recreation program provided to members:

Physical education: Provides gym activities, league sports, and physical fitness for members.

Social recreation: Provides game room activities, including board games, arts and crafts, contests and special events for members.

Individual services: Provides formal guidance and counseling, juvenile justice projects, community activities, career and educational programs for members.

Cultural enrichment: Provides services in arts and crafts, music, drama, and library services.

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

Notes to the Financial Statements For the Year Ended June 30, 2010

NOTE A – Nature of operations and summary of significant accounting policies

The following is a summary of significant accounting policies followed in the preparation of these financial statements. The policies conform to generally accepted accounting principles applicable to voluntary health and welfare organizations and have been consistently applied.

Nature of operations

The Boys and Girls Club of Hernando County, Inc. is a not-for-profit corporation organized to provide behavioral guidance and to promote the health, social, educational, vocational and character development of boys and girls in Hernando County, Florida.

Summary of significant accounting policies

A description follows of significant accounting policies of the organization.

Basis of accounting: The financial statements are prepared on the accrual basis.

Basis of presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Statement of Financial Accounting Standards (SFAS) No 117, *Financial Statements of Not-for-Profit Organizations*. Under those provisions, net assets and revenues, gains and losses are classified based on the existence of absence of donor-imposed restrictions as follows:

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

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of such assets permit the Organization to use all or part of the income earned on the assets.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses: The costs of providing the various programs have been summarized on a functional basis in the statements of activities and the statement of functional expenses. Certain management and general costs have been allocated among the programs and supporting services.

Cash: The organization considers all cash and investments with maturities of less than three months to be cash equivalents.

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

Notes to the Financial Statements For the Year Ended June 30, 2010

NOTE C – Fixed assets

Depreciation expense totaled \$5,961 for the year ended June 30, 2009. Fixed assets consisted of the following at June 30, 2009

	Estimated Life <u>In Years</u>	<u>2008</u>
Buildings	10	\$20,000
Computers and Furnishings	5	15,195
Playground Equipment	5	<u>10,772</u>
Fixed Assets at Cost		45,967
Less Accumulated Depreciation		<u>30,654</u>
Net Fixed Assets		<u>\$15,313</u>

NOTE D – Retirement Benefits

The organization instituted a Simple IRA Retirement plan in May of 2009. The administrator of the retirement plan is Modern Woodman of America. The organization contributes up to three percent of gross wages for all eligible employees who have elected to participate.

NOTE E – Temporarily restricted net assets

The organization received a grant of \$4,000 in July 2009 designated for Teen Expansion. To date the organization has spent \$3,292 as designated by the terms of the grant, leaving a balance of \$708, reflected on the Statement of Financial Position.

NOTE F – Contingencies

Management is not aware of any contingent liabilities or lawsuits against the organization and therefore has not made any such provision for such a cost in the financial statements.

BOYS & GIRLS CLUB OF HERNANDO COUNTY, INC.
Depreciation Schedule by User defined 1
For the 12 Months Ended 06/30/10

11/15/10
04:00PM

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 07/01/09	Current Depreciation	Accum Depr 06/30/10
Ungrouped Assets									
1	VARIOUS COMPUTER & FURNITURE	12/31/04	ST LINE	05/00	N	9,973.00	8,972.97	1,000.03	9,973.00
2	GAZEBO	06/14/06	ST LINE	05/00	N	88.72	54.05	17.74	71.79
3	TRAILER	12/31/04	ST LINE	10/00	N	20,000.00	8,997.26	2,000.00	10,997.26
4	PLAYGROUND EQUIPMENT - RA	11/18/05	ST LINE	05/00	N	4,547.00	3,288.79	909.40	4,198.19
5	QUICKBOOKS SOFTWARE	07/05/07	200% DB	05/00	N	371.07	236.51	53.82	290.33
6	VISION SCANNING SOFTWARE	03/17/08	200% DB	05/00	N	1,050.00	492.98	222.81	715.79
7	CRUCIAL-LEZAR MEDIA	03/24/08	200% DB	05/00	N	346.93	161.30	74.25	235.55
8	LAPTOPS FOR HILLSIDE UNIT	05/14/08	200% DB	05/00	N	1,374.00	592.85	312.46	905.31
9	A/C UNITS FOR HILLSIDE	06/30/08	200% DB	05/00	Y	538.00	215.55	128.98	344.53
10	RAINBOW CASTLE	12/31/08	200% DB	05/00	N	6,225.00	1,241.59	1,993.36	3,234.95
11	Vending Machine - Seaga Mecha	06/30/10	200% DB	05/00	N	1,991.00	0.00	2.18	2.18
Total for (Ungrouped Assets)						46,504.72	24,253.85	6,715.03	30,968.88
Client Subtotal Before Sales						46,504.72	24,253.85	6,715.03	30,968.88
Less Assets Sold						538.00			344.53
Total						45,966.72	24,253.85	6,715.03	30,624.35