

CAPPALAPPA FAMILY RESOURCE CENTER
(A NONPROFIT ORGANIZATION)

COMPILED FINANCIAL STATEMENTS

YEARS ENDED

JUNE 30, 2011 and 2010



BARLOW + DOUGLAS
CERTIFIED PUBLIC ACCOUNTANTS

**CAPPALAPPA FAMILY RESOURCE CENTER
JUNE 30, 2011 AND 2010**

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BARLOW + DOUGLAS
CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Cappalappa Family Resource Center

We have compiled the accompanying statement of financial position of Cappalappa Family Resource Center (a not-for-profit organization), as of June 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Barlow and Douglas CPAs, PLLC

Barlow & Douglas CPAs, PLLC
March 22, 2012
Henderson, Nevada

**CAPPALAPPA FAMILY RESOURCE CENTER
(A NONPROFIT ORGANIZATION)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2011 AND 2010**

	2011	2010
ASSETS		
Current assets:		
Cash	\$ 43,374	\$ 29,668
Accounts receivable	0	0
Inventory	0	0
Prepaid expenses and other	0	0
Total current assets	43,374	29,668
Property and equipment, net	0	0
Other assets	3,280	3,280
Total assets	\$ 46,654	\$ 32,948
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 0	\$ 0
Total current liabilities	0	0
Long-term liabilities:		
Note payable, less current portion	0	0
Total liabilities	0	0
Net assets:		
Permanently restricted	0	0
Temporarily restricted	0	0
Unrestricted	46,654	32,948
Net assets	46,654	32,948
Total liabilities and net assets	\$ 46,654	\$ 32,948

See accompanying notes and accountant's report.

**CAPPALAPPA FAMILY RESOURCE CENTER
(A NONPROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
Changes in unrestricted net assets:		
Support		
Contributions from the general public	\$ 14,276	\$ 14,331
Special events	0	0
Total support	<u>14,276</u>	<u>14,331</u>
Revenue		
Grants	91,173	106,484
Other	10,482	2,489
Total revenue	<u>101,655</u>	<u>108,973</u>
Total support and revenue	115,931	123,304
Net assets released from restrictions	0	0
Functional expenses		
Program services		
Title IV-B	62,562	28,272
Family to family	14,521	15,370
Family resource center	10,406	11,088
Total program services	<u>87,489</u>	<u>54,730</u>
Supporting services		
Fundraising	137	180
Management and general	14,599	72,728
Total supporting services	<u>14,736</u>	<u>72,908</u>
Total expenses	<u>102,225</u>	<u>127,638</u>
Increase in unrestricted net assets	<u>13,706</u>	<u>(4,334)</u>
Changes in temporarily restricted net assets		
Net assets released from restrictions	<u>0</u>	<u>0</u>
Decrease in temporarily restricted net assets	<u>0</u>	<u>0</u>
Increase (decrease) in net assets	<u>13,706</u>	<u>(4,334)</u>
Net assets, beginning of year	<u>32,948</u>	<u>37,282</u>
Net assets, end of year	<u>\$ 46,654</u>	<u>\$ 32,948</u>

See accompanying notes and accountant's report.

**CAPPALAPPA FAMILY RESOURCE CENTER
(A NONPROFIT ORGANIZATION)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011**

	Program Services				Supporting Services		
	Outside Agency	Family to Family	Family Resource Center	Total Program Services	Fundraising	Management and General	Total
Accounting	\$ 1,520	\$ -	\$ -	\$ 1,520	\$ -	\$ -	\$ 1,520
Advertising	820	293	243	\$ 1,356	-	58	\$ 1,414
Bank charges	-	-	-	\$ -	12	-	\$ 12
Business registration fees	-	-	-	\$ -	-	158	\$ 158
Client assistance	-	-	390	\$ 390	125	761	\$ 1,276
Continuing education	-	-	-	\$ -	-	1,707	\$ 1,707
Credit card fees	-	-	-	\$ -	-	-	\$ -
Dues and subscriptions	25	-	-	\$ 25	-	72	\$ 97
Employee benefits	-	-	-	\$ -	-	-	\$ -
Equipment rental	-	-	-	\$ -	-	105	\$ 105
Fundraising fees	-	-	-	\$ -	-	250	\$ 250
Insurance	1,546	258	211	\$ 2,015	-	912	\$ 2,927
Other	-	-	-	\$ -	-	3,404	\$ 3,404
Postage and shipping	-	-	-	\$ -	-	-	\$ -
Printing	797	70	57	\$ 924	-	-	\$ 924
Professional fees	-	-	-	\$ -	-	-	\$ -
Program supplies	-	-	-	\$ -	-	1,212	\$ 1,212
Rent	12,211	1,296	1,040	\$ 14,547	-	32	\$ 14,579
Repairs and maintenance	300	-	-	\$ 300	-	463	\$ 763
Salaries	43,451	11,808	6,283	\$ 61,542	-	2,138	\$ 63,680
Supplies	895	611	2,030	\$ 3,536	-	2,729	\$ 6,265
Telephone	997	185	152	\$ 1,334	-	548	\$ 1,882
Travel	-	-	-	\$ -	-	50	\$ 50
Utilities	-	-	-	\$ -	-	-	\$ -
	<u>62,562</u>	<u>14,521</u>	<u>10,406</u>	<u>87,489</u>	<u>137</u>	<u>14,599</u>	<u>102,225</u>
Depreciation	-	-	-	-	-	-	-
Total functional expenses	<u>\$ 62,562</u>	<u>\$ 14,521</u>	<u>\$ 10,406</u>	<u>87,489</u>	<u>\$ 137</u>	<u>\$ 14,599</u>	<u>\$ 102,225</u>

See accompanying notes and accountant's report.

**CAPPALAPPA FAMILY RESOURCE CENTER
(A NONPROFIT ORGANIZATION)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011 AND 2010**

	2011	2010
Cash flows from operating activities:		
Increase in net assets	\$ 13,706	\$ (4,334)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities		
Depreciation	0	0
Donation of property and equipment	0	0
Increase (decrease) in operating liabilities:		
Changes in accounts payable	0	0
Change in accrued expenses	0	0
Net cash provided by operating activities	13,706	(4,334)
Cash flows from investing activities:		
Purchase of property and equipment	0	0
Net cash used by investing activities	0	0
Cash flows from financing activities:		
Proceed from note payable	0	0
Repayment of notes payable	0	0
Net cash used by financing activities	0	0
Net change in cash	13,706	(4,334)
	0	0
Cash, beginning of year	29,668	37,282
Cash, end of year	\$ 43,374	\$ 32,948
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 0	\$ 0
Noncash investing activity:	\$ 0	\$ 0

See accompanying notes and accountant's report.

CAPPALAPPA FAMILY RESOURCE CENTER
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011 AND 2010

1. Organization and Nature of Activities

Cappalappa Family Resource Center (the Center) is a not-for-profit organization located in Overton, Nevada. The Center improves the quality of life of individuals through public education and collaborative efforts with other community oriented service agencies.

Social and educational services. The Center has proudly provided services in the Moapa Valley area since 2004. Family to Family connection builds upon the strengths of children, families, and communities to support the child within the family and the family within the neighborhood. The Center encourages optimal child growth and development through community-based public and private partnerships.

Concentrations. A substantial portion of the Center's operating assets and activities are concentrated in Southern Nevada. Accordingly, changes in the Southern Nevada economy or the financial condition of its grantors or donors could adversely affect the realization of these assets or its future operations.

The United States is experiencing a widespread decline in residential real estate sales, mortgage lending and related construction activity, accompanied by inflationary trends and emerging weakness in the commercial and investment banking systems, all of which are likely to have far-reaching effects on the economic activity in the country for an indeterminate period. The near and long-term impact of these factors on the Nevada economy, and the Center's future government grants, fundraising and other operating activities cannot be predicted at this time but may be substantial.

Basis of presentation. The accompanying financial statements have been presented in accordance with accounting principles generally accepted in the United States applicable to not-for-profit organizations.

2. Summary of Significant Accounting Policies

Cash

The Center considers all highly liquid investments with a remaining maturity of three months or less at the time of purchase to be cash equivalents.

Concentration of Credit Risk

The Center maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. Management believes it is not exposed to significant credit risk on cash. Management periodically monitors the financial condition of the financial institutions to minimize credit risk.

Revenue Recognition

Contributions of cash or other assets (recorded at fair value as of date received) are reported as restricted support if the contributions are either received with donor stipulations that limit the use of the donated assets or are unavailable by their terms for expenditure in the current period. When a donor

CAPPALAPPA FAMILY RESOURCE CENTER
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011 AND 2010

restriction expires, that is, when a de facto 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.

In accordance with generally accepted accounting principles, all contributions are recognized as support in the statement of activities in the period received, including unconditional pledges receivable at their estimated net realizable value discounted to present value if due in more than one year (with discounts amortized using the interest method as contribution income over the expected holding period) and net of any allowance for estimated uncollectible receivables. The Center reports contributions of cash or other assets received with donor restrictions as restricted support even when the donor restrictions are fulfilled within the same accounting period.

Donated Services

Significant portions of the Center's functions are conducted by volunteers. The value of the contributed time is not reflected in the accompanying financial statements unless the services meet the criteria for recognition under generally accepted accounting principles.

Advertising

Advertising costs are expensed the first time such advertising appears. Total advertising costs included in program services, fundraising and management and general was \$1,414, for the year ended June 30, 2011.

Income Taxes

The Center is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). Accordingly, no income tax is reflected in the accompanying financial statements. In addition, the Center is classified as an organization that is not a private foundation under IRC Section 509(a)(2); therefore, donations qualify for maximum charitable contribution deduction under IRC Section 170(b)(1)(A).

Functional Expenses

Certain expenses of the Center are allocated among functional expense categories based in large part on estimates by management.

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 the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Management periodically evaluates the Center's policies, and the estimates and assumptions related to such policies.

CAPPALAPPA FAMILY RESOURCE CENTER
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011 AND 2010

3. Commitments and Contingencies

The Center is not party to any general legal proceedings.

4. Subsequent Events

The Center has evaluated subsequent events through March 22, 2012, the date which the financial statements were available to be issued.