

PARENTING PLACE, INC.

Financial Statements

For the years ended

December 31, 2008 and 2007

(With Independent Auditor's Report Thereon)

CONTENTS

Independent Auditors Report	Page 2
Statements of Financial Position	Page 3
Statements of Activities	Page 4
Statements of Functional Expenses	Page 5
Statements of Cash Flows	Page 6
Notes to Financial Statements	Pages 7-9

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Parenting Place, Inc.

I have audited the accompanying statement of financial position of Parenting Place, Inc., (a nonprofit organization) as of December 31, 2008 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, Inc. as of December 31, 2008, 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](#)

Joseph E. Moore, CPA
Boulder, Colorado
May 15, 2009

PARENTING PLACE, INC.
STATEMENT OF FINANCIAL POSITION
as of December 31,

	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 182,722	\$ 141,146
Accounts Receivable	2,795	21,404
Prepaid Expenses (including prepaid rent of \$7,200 in 2008 and \$19,200 in 2007-Note C)	12,102	22,905
TOTAL CURRENT ASSETS	197,619	185,455
Property and equipment, less accumulated depreciation of \$16,510 for 2008 and \$11,793 for 2007 (Note B)	14,022	16,802
TOTAL ASSETS	\$ 211,641	\$ 202,257
 LIABILITIES		
Accounts payable and accrued expenses	\$ 2,738	\$ 3,404
TOTAL LIABILITIES	2,738	3,404
 NET ASSETS		
Unrestricted	163,633	167,803
Temporarily restricted	45,270	31,050
TOTAL NET ASSETS	208,903	198,853
TOTAL LIABILITIES AND NET ASSETS	\$ 211,641	\$ 202,257

The accompanying notes are an integral part of these statements.

PARENTING PLACE, INC.
STATEMENT OF ACTIVITIES
For the years ended December 31,

	<u>2008</u>	<u>2007</u>
UNRESTRICTED REVENUE AND SUPPORT		
PUBLIC SUPPORT		
Government grants and contracts	\$ 63,000	\$ 67,421
Non-governmental grants	222,878	173,639
Non-governmental grants released from temporary restriction	34,780	59,479
Contributions	59,955	61,334
Fund-raising events	<u>55,612</u>	<u>52,191</u>
Total public support	<u>436,225</u>	<u>414,064</u>
REVENUE		
Newsletter advertising and subscriptions	35,133	41,128
Memberships	3,924	5,582
Rentals and other	-	78
Interest	<u>1,442</u>	<u>3,471</u>
Total Revenue	<u>40,499</u>	<u>50,259</u>
TOTAL UNRESTRICTED REVENUE AND SUPPORT	<u>476,724</u>	<u>464,323</u>
EXPENSES		
Program Services	411,995	329,198
Fundraising	42,355	39,739
Support Services	<u>26,544</u>	<u>26,038</u>
TOTAL EXPENSES	<u>480,894</u>	<u>394,975</u>
Change in unrestricted net assets	(4,170)	69,348
Temporarily restricted net assets		
Non-governmental grants	49,000	31,050
Temporarily restricted net assets released from restrictions	<u>(34,780)</u>	<u>(59,479)</u>
Change in temporarily restricted net assets	<u>14,220</u>	<u>(28,429)</u>
Change in net assets	10,050	40,919
Net Assets at beginning of year	198,853	157,934
Net Assets at end of year	<u>\$ 208,903</u>	<u>\$ 198,853</u>

The accompanying notes are an integral part of these statements.

PARENTING PLACE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the years ended December 31,

	2008				2007			
	Program Services	Fundraising	Support Services	Total	Program Services	Fundraising	Support Services	Total
Salaries and Related	\$ 243,500	\$ 7,940	\$ 13,234	\$ 264,674	\$ 176,796	\$ 3,802	\$ 9,505	\$ 190,103
Fundraising Events	-	26,154	-	26,154	-	24,172	-	24,172
Grant Writing	-	8,261	-	8,261	-	11,765	-	11,765
Dues and Subscriptions	4,843	-	1,009	5,852	1,638	-	341	1,979
Professional fees	4,729	-	1,813	6,542	9,688	-	3,716	13,404
Occupancy	38,441	-	6,784	45,225	35,503	-	6,265	41,768
Insurance	3,029	-	1,178	4,207	1,829	-	4,812	6,641
Telephone	3,220	-	169	3,389	2,661	-	140	2,801
Printing	7,401	-	75	7,476	2,090	-	-	2,090
Postage	1,735	-	18	1,753	1,772	-	18	1,790
Supplies	30,202	-	561	30,763	28,434	-	528	28,962
Newsletter	49,136	-	-	49,136	47,478	-	-	47,478
Community Outreach	2,041	-	680	2,721	-	-	-	-
Training	-	-	-	-	2,007	-	-	2,007
Other	2,994	-	158	3,152	2,509	-	132	2,641
Depreciation	4,481	-	236	4,717	1,056	-	56	1,112
Emergency Fund	4,283	-	-	4,283	5,759	-	-	5,759
Cleaning and Repairs	11,960	-	629	12,589	9,356	-	492	9,848
Bank Charges	-	-	-	-	622	-	33	655
	<u>\$ 411,995</u>	<u>\$ 42,355</u>	<u>\$ 26,544</u>	<u>\$ 480,894</u>	<u>\$ 329,198</u>	<u>\$ 39,739</u>	<u>\$ 26,038</u>	<u>\$ 394,975</u>

The accompanying notes are an integral part of these statements.

PARENTING PLACE, INC.
STATEMENT OF CASH FLOWS
For the years ended December 31,

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Change in net assets	\$ 10,050	\$ 40,919
Items not requiring cash:		
Depreciation	4,717	1,112
Noncash contributions of assets	(10,878)	(10,413)
Noncash expenses	10,878	10,413
Investing activities		
Cash used for purchase of equipment	(1,937)	-
Decreases (increases) in operating assets:		
Accounts and grants receivable	18,610	(11,285)
Prepaid Expenses	10,803	13,016
Increase (decrease) in operating liabilities:		
Accounts payable	(666)	(842)
Deferred Revenue	-	(1,856)
	<u>41,577</u>	<u>41,064</u>
Net cash flows from operating activities		
	<u>41,577</u>	<u>41,064</u>
NET INCREASE (DECREASE) IN CASH	41,577	41,064
Cash at beginning or period	141,146	100,082
Cash at December 31	<u>\$ 182,722</u>	<u>\$ 141,146</u>

The accompanying notes are an integral part of these statements.

PARENTING PLACE, INC.
Notes to Financial Statements
December 31, 2008

NOTE A—NATURE OF ACTIVITIES

Parenting Place, Inc. (PP) 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

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, 2008 cash consisted solely of currency on hand, demand deposits and certificates of deposit.

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

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.

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.

PARENTING PLACE, INC.
Notes to Financial Statements
December 31, 2008

Contributions whose restrictions are met in the same year are reported as unrestricted support.

At December 31, 2008 Parenting Place had temporarily restricted assets of \$45,270.

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. Parenting Place 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. Property and equipment is summarized as follows:

	<u>2008</u>	<u>2007</u>
Leasehold Improvements	\$ 17,000	\$ 17,000
Furniture and equipment	<u>13,532</u>	<u>11,595</u>
	30,532	28,595
Accumulated depreciation	<u>(16,510)</u>	<u>(11,793)</u>
	<u>\$ 14,022</u>	<u>\$ 16,802</u>

Donated Services

No amounts have been reflected in the financial statements for donated services of volunteers. Parenting Place pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist Parenting Place with specific assistance programs, campaign solicitations and various committee assignments.

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 Amounts

The totals shown for 2007 in the accompanying financial statements are included to provide a basis for comparison with 2008. Certain reclassifications have been made to the December 2007 amounts to make them comparable to the classifications adopted for December 2008.

PARENTING PLACE, INC.
Notes to Financial Statements
December 31, 2008

NOTE C-LEASES

Parenting Place leases office and program space for \$3,100 per month until May 31, 2009. The lease required that the organization prepay \$36,000 at the inception date of June 1, 2006, \$12,000 of which was expensed during 2008. At December 31, 2008 the remaining balance of \$5,000 is reflected as part of Prepaid Expense. The remaining balance of \$5,000 is to be amortized at the rate of \$1,000 per month in addition to a \$2,200 monthly payment through May 31, 2009.

Subsequent to year end the organization exercised an option to extend the lease through May 31, 2011 at a rate of \$3,400 per month.

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

2009	\$ 34,800
2010	40,800
2011	<u>17,000</u>
 Total	 <u>\$ 92,600</u>

NOTE D-INCOME TAXES

Parenting Place 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, Parenting Place is taxed solely on revenue not related to their exempt function. Accordingly, the accompanying financial statements contain no provision for income taxes.

NOTE E-FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.