

OF HOME FAMILY AND FUTURE, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED  
DECEMBER 31, 2011 AND 2010

OF HOME FAMILY AND FUTURE, INC.  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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*Berard & Donahue*  
CERTIFIED PUBLIC ACCOUNTANTS, PC

Donalee R. Berard, C.P.A.  
John T. Donahue, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Of Home Family and Future, Inc.  
New York, New York 10003

We have audited the accompanying statements of financial position of Of Home Family and Future, Inc., as of December 31, 2011, and the related statements of activity and cash flows for the year then ended. These financial statements are the responsibility of Of Home Family and Future, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Of Home Family and Future, Inc.'s December 31, 2010 financial statements and, in our report dated March 24, 2011; we expressed an unqualified opinion on those financial statements.

We conducted our audits 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 from 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 Of Home Family and Future, Inc. as of December 31, 2011, 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.

*Berard & Donahue CPAs PC*

Suffern, New York  
March 9, 2012

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OF HOME FAMILY AND FUTURE, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2011 AND 2010

<u>ASSETS:</u>	<u>2011</u>	<u>2010</u>
Current assets:		
Cash	\$ 74,129	\$ 92,991
Investments	534,714	530,041
Prepaid expenses	41,568	17,761
Loan receivable	6,680	7,480
Accounts Receivable	-	500
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 657,091</u>	<u>\$ 648,773</u>
<u>LIABILITIES AND NET ASSETS:</u>		
Liabilities:		
None	\$ -	\$ -
Total liabilities	<hr/>	<hr/>
	<hr/>	<hr/>
Net assets:		
Unrestricted	626,008	585,007
Temporarily restricted	31,083	63,766
Permanently restricted	<hr/>	<hr/>
	<hr/>	<hr/>
Total net assets	<u>657,091</u>	<u>648,773</u>
	<hr/>	<hr/>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 657,091</u>	<u>\$ 648,773</u>

See accompanying notes to financial statements.

OF HOME, FAMILY AND FUTURE, INC.  
STATEMENT OF ACTIVITY  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
<b><u>PUBLIC SUPPORT AND REVENUE:</u></b>				
Public support:				
Contribution income	\$ 104,826	\$ -	\$ 104,826	\$ 46,353
Fundraising Revenue	4,650	-	4,650	-
Fundraising Expense	(300)	-	(300)	-
Grant	15,850	24,000	39,850	63,500
Total public support	<u>125,026</u>	<u>24,000</u>	<u>149,026</u>	<u>109,853</u>
Revenue:				
Interest income	7,723	-	7,723	6,636
Rent income	2,400	-	2,400	3,600
Miscellaneous	-	-	-	4,396
Unrealized loss on sales of investments	(4,048)	-	(4,048)	66
Realized gain on sales of investments	1,073	-	1,073	-
In Kind Services	-	-	-	6,500
Total revenue	<u>7,148</u>	<u>-</u>	<u>7,148</u>	<u>21,198</u>
	132,174	24,000	156,174	131,051
Net assets released from restrictions	<u>56,683</u>	<u>(56,683)</u>	<u>-</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>188,857</u>	<u>(32,683)</u>	<u>156,174</u>	<u>131,051</u>
<b><u>EXPENSES:</u></b>				
Program services:				
Grant expense	69,200	-	69,200	52,822
Rent subsidy	13,600	-	13,600	19,851
Utilities	1,160	-	1,160	2,716
Child Care	13,159	-	13,159	23,604
Repairs and maintenance	-	-	-	1,317
Tuition	42,702	-	42,702	45,930
Printing	1,919	-	1,919	102
In Kind Services	-	-	-	6,500
Other	703	-	703	1,122
Total program services	<u>142,443</u>	<u>-</u>	<u>142,443</u>	<u>153,964</u>
Management and general:				
Accounting	2,311	-	2,311	2,100
Information Technology	1,899	-	1,899	2,896
Bank charges	190	-	190	32
Insurance	904	-	904	3,100
Filing fees	110	-	110	110
Total management and general	<u>5,414</u>	<u>-</u>	<u>5,414</u>	<u>8,238</u>
Fundraising:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	<u>147,857</u>	<u>-</u>	<u>147,857</u>	<u>162,202</u>
Change in Net Assets	41,000	(32,683)	8,317	(31,151)
Net Assets (Deficit) at Beginning of Year	<u>585,007</u>	<u>63,766</u>	<u>648,773</u>	<u>679,924</u>
Net Assets (Deficit) at End of Year	<u>\$ 626,008</u>	<u>\$ 31,083</u>	<u>\$ 657,091</u>	<u>\$ 648,773</u>

See accompanying notes to financial statements.

OF HOME FAMILY AND FUTURE, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	<u>2011</u>	<u>2010</u>
Increase (decrease) in net assets	\$ 8,317	\$ (31,151)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used for) operating activities:		
Unrealized gain (loss) on investments	(4048)	66
Changes in operating assets and liabilities:		
(Increase)decrease in accounts receivable	500	(500)
(Increase)decrease in prepaid expenses	(23,807)	(3,353)
(Increase)decrease in loans receivable	800	1,040
	<u>                    </u>	<u>                    </u>
Net cash provided by (used for) operating activities	(18,238)	(33,897)
 <u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Sale (purchase) of investments	(624)	(6,599)
Net cash provided (used) for investing activities	<u>                    </u>	<u>                    </u>
	(624)	(6,599)
 <u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Net cash provided by financing activities	<u>                    </u>	<u>                    </u>
	-	-
 NET INCREASE (DECREASE) IN CASH	(18,862)	(40,497)
 Cash, beginning of year	<u>92,991</u>	<u>133,488</u>
 Cash, end of year	<u>\$ 74,129</u>	<u>\$ 92,991</u>
 Supplemental disclosure:		
Taxes paid	<u>\$ -</u>	<u>\$ -</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>
 Supplimental Information of Non-Cash Items:		
Donated Revenue/Expenses	<u>\$ -</u>	<u>\$ 6,500</u>

See accompanying notes to financial statements.

OF HOME FAMILY AND FUTURE, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Nature of Activities

Of Home Family and Future, Inc., is a non-profit corporation organized in November 2004, for the purpose of providing funds for individuals who have shown the potential to become successful members of society, but lack the resources to overcome poverty or abuse. Ninety-five percent of its revenue is from public support.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets, as applicable: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Property and Equipment

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000. The fair value of donated property and equipment is similarly capitalized. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

Accounting Method

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

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). There was no unrelated business income for the year ended December 31, 2011.

Use of Estimates

Management uses estimates as assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

Revenue Recognition

Grants, fees, and tuition related to programs which began after the fiscal year-end are included as advanced tuition and reflected in income in the year the service is performed. Costs incurred prior to the close of the fiscal year for such programs are classified as prepaid expenses.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position, Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

OF HOME FAMILY AND FUTURE, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):**

Comparative Financial Information

The financial information shown for 2010 in the accompanying financial statements is included to provide a basis for comparison with 2011 and presents summarized totals only.

Donated Services and Materials

No amounts have been reflected in the statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, grant requests, and various committee assignments.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose to be available for unrestricted net asset use unless specifically restricted by the donor.

Subsequent Events

Management has evaluated subsequent events after the balance sheet date through March 9, 2012, the date of issuance of our financial statements.

Uncertainty in income taxes

Of Home Family and Future, Inc. has adopted the provisions of FASB ASC Reference 740 *Accounting for Uncertainty in Income Taxes-an interpretation of FASB Statement NO. 109* (FIN 48). Under FIN 48, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained upon examination by a taxing authority. Of Home Family and Future, Inc. does not believe they have taken any material uncertain tax positions and, accordingly they have not recorded any liability for unrecognized tax benefits. Of Home Family and Future, Inc. has filed for and received income tax exemptions in the jurisdictions where required to do so.

Of Home Family and Future, Inc.'s Federal Return of Organization Exempt from Income Tax Returns 2010, 2009 and 2008 are subject to examination by the IRS, generally three years after they were filed.

Additionally, Of Home Family and Future, Inc. has filed Internal Revenue Service Form 990 informational returns, as required, and all other applicable returns in jurisdictions where so required. For the years ended December 31, 2011 and 2010, there were no interest or penalties recorded or included in the statement of activities.

**NOTE 2. SUMMARY OF PROGRAMS:**

Of Home Family and Future, Inc.'s mission is to make a profound difference in the lives of highly motivated and qualified people who possess the desire and drive to succeed but lack the opportunity and resources. Of Home Family and Future, Inc. seeks to accomplish this goal by awarding grants to help working women and children, affected by domestic violence, to create strong and economically independent families in affordable housing. Grants are also awarded for other services such as, childcare, job training and career, financial and psychological counseling. In addition, there is an educational mentoring program which awards grants and provides mentors to students from the foster care systems who are attending post-secondary education.



OF HOME FAMILY AND FUTURE, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 3. INVESTMENTS**

At December 31, 2011 investments consisted of the following:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Account	\$ 23,757	\$ 23,757	-	-
Fixed Income Securities	510,957	-	510,957	-
Total	<u>\$ 534,714</u>	<u>\$ 23,757</u>	<u>\$ 510,957</u>	<u>-</u>

The Organization follows Financial Accounting Standards Board (FASB) guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**NOTE 4. PROPERTY:**

There was no depreciation expense for the years ended December 31, 2011 and 2010.

**NOTE 5. LOAN RECEIVABLE**

The balance of \$6,680 at December 31, 2011 represents monies owed by one of the agency's clients of the former facility. This money is owed to the Organization for amounts paid on the client's behalf.

**NOTE 6. RESTRICTED CONTRIBUTION**

The balance of \$31,083 for the year ended December 31, 2011 represents monies restricted for the Educational Mentoring Program.

**NOTE 7. COMMITMENTS**

The Organization had a rental lease with a recipient of program services. The lease term ended 8/31/11. For the year ended December 31, 2011 and 2010 rent expense was \$13,600 and \$19,851, respectively.

**NOTE 8. FUNDRAISING**

For the year ended December 31, 2011, little to no expenses was allocated to fund raising activities as all fundraising was performed by volunteers and board members.

**NOTE 9. CONCENTRATIONS OF CREDIT RISK**

Of Home, Family and Future, Inc. maintains its cash balances in a financial institution located in New York, New York. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000, through December 31, 2013. At December 31, 2011, the Organization's cash balances did not exceed the FDIC limit.

**NOTE 10. SPECIAL EVENTS REVENUE AND EXPENSE**

During 2011 the special event was a cocktail reception Revenues were \$4,650 and expenses were \$300, resulting in revenue of \$4350. There was no special events in the year ended December 31, 2010.