

OF HOME FAMILY AND FUTURE, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2012 AND 2011

OF HOME FAMILY AND FUTURE, INC.
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Of Home, Family and Future, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Berard and Donahue CPA's PC
Suffern, New York
March 21, 2013

OF HOME FAMILY AND FUTURE, INC.
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2012 AND 2011

<u>ASSETS:</u>	<u>2012</u>	<u>2011</u>
Current assets:		
Cash	\$ 56,142	\$ 74,129
Investments	548,584	534,714
Prepaid expenses	20,594	41,568
Loan receivable	<u>5,560</u>	<u>6,680</u>
 TOTAL ASSETS	 <u>\$ 630,880</u>	 <u>\$ 657,091</u>
 <u>LIABILITIES AND NET ASSETS:</u>		
Liabilities:		
None	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>
 Net assets:		
Unrestricted	\$ 612,878	\$ 626,008
Temporarily restricted	18,000	31,083
Permanently restricted	<u>-</u>	<u>-</u>
Total net assets	<u>630,878</u>	<u>657,091</u>
 TOTAL LIABILITIES & NET ASSETS	 <u>\$ 630,878</u>	 <u>\$ 657,091</u>

See accompanying notes to financial statements.

OF HOME, FAMILY AND FUTURE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012			2011
	Unrestricted	Temporarily Restricted	Total	Total
<u>PUBLIC SUPPORT AND REVENUE:</u>				
Public support:				
Contribution income	\$ 102,364	\$ -	\$ 102,364	\$ 104,827
Fundraising Revenue	3,650		3,650	4,650
Fundraising Expense	(516)	-	(516)	(300)
Tuition Reimbursement	7,714	-	7,714	-
Grant	600	28,432	29,032	39,850
Total public support	<u>113,812</u>	<u>28,432</u>	<u>142,244</u>	<u>149,027</u>
Revenue:				
Interest income	10,470	-	10,470	7,723
Rent income	-	-	-	2,400
Miscellaneous	373	-	373	-
Unrealized gain (loss) on sales of investments	3,578	-	3,578	(4,048)
Realized gain(loss) on sales of investments	(250)	-	(250)	1,073
Total revenue	<u>14,171</u>	<u>-</u>	<u>14,171</u>	<u>7,148</u>
	127,983	28,432	156,415	156,175
Net assets released from restrictions	<u>41,515</u>	<u>(41,515)</u>	<u>-</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>169,498</u>	<u>(13,083)</u>	<u>156,415</u>	<u>156,175</u>
<u>EXPENSES:</u>				
Program services:				
Grant expense	80,421	-	80,421	69,200
Rent subsidy	-	-	-	13,600
Utilities	-	-	-	1,160
Child Care	-	-	-	13,159
Tuition	88,533	-	88,533	42,702
Printing	1,645	-	1,645	1,919
Other	876	-	876	703
Total program services	<u>171,475</u>	<u>-</u>	<u>171,475</u>	<u>142,443</u>
Management and general:				
Accounting	5,375	-	5,375	2,311
Information Technology	18	-	18	1,899
Bank charges	288	-	288	190
Insurance	3,094	-	3,094	904
Board Expenses	2,268	-	2,268	-
Filing fees	110	-	110	110
Total management and general	<u>11,153</u>	<u>-</u>	<u>11,153</u>	<u>5,414</u>
Fund raising:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	<u>182,628</u>	<u>-</u>	<u>182,628</u>	<u>147,857</u>
Change in Net Assets	(13,130)	(13,083)	(26,213)	8,318
Net Assets (Deficit) at Beginning of Year	<u>626,008</u>	<u>31,083</u>	<u>657,091</u>	<u>648,773</u>
Net Assets (Deficit) at End of Year	<u>\$ 612,878</u>	<u>\$ 18,000</u>	<u>\$ 630,878</u>	<u>\$ 657,091</u>

See accompanying notes to financial statements.

OF HOME FAMILY AND FUTURE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	<u>2012</u>	<u>2011</u>
Increase (decrease) in net assets	\$ (26,213)	\$ 8,318
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used for) operating activities:		
Unrealized gain (loss) on investments	3,578	(4,048)
Changes in operating assets and liabilities:		
Decrease in accounts receivable	-	500
(Increase)decrease in prepaid expenses	20,974	(23,807)
Decrease in loans receivable	1,120	800
	<u> </u>	<u> </u>
Net cash (used for) operating activities	(541)	(18,237)
 <u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
(Purchase) of investments	(17,446)	(625)
Net cash (used) for investing activities	<u>(17,446)</u>	<u>(625)</u>
 <u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
NONE	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(17,987)	(18,862)
Cash- beginning of year	<u>74,129</u>	<u>92,991</u>
Cash- end of year	<u>\$ 56,142</u>	<u>\$ 74,129</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>\$ -</u>

See accompanying notes to financial statements.

OF HOME FAMILY AND FUTURE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

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. Eighty-four 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, 2012.

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 2012, 2011, and 2010 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, 2012 and 2011, there were no interest or penalties recorded or included in the statement of activities.

OF HOME FAMILY AND FUTURE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

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

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.

Comparative Financial Information

The financial information shown for 2011 in the accompanying financial statements is included to provide a basis for comparison with 2012 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 21, 2013, the date of issuance of our financial statements.

OF HOME FAMILY AND FUTURE, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

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.

NOTE 3. INVESTMENTS

At December 31, 2012 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)
Cash	\$ 34,159	\$ 34,159	-	-
Certificates of Deposit	514,425	-	514,425	-
Total	<u>\$ 548,584</u>	<u>\$ 34,159</u>	<u>\$ 514,425</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. LOAN RECEIVABLE

The balance of \$5,560 at December 31, 2012 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 5. RESTRICTED CONTRIBUTION

The balance of \$18,000 for the year ended December 31, 2012 represents monies restricted for the Educational Mentoring Program.

OF HOME FAMILY AND FUTURE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

NOTE 6. COMMITMENTS

The Organization has a rental lease with a recipient of program services. The lease term ended August 31, 2011. For the years ended December 31, 2012 and 2011, respectively rent expense was \$0 and \$13,600, respectively.

NOTE 7. FUND RAISING

For the years ended December 31, 2012 and 2011, respectively, little to no expenses was allocated to fund raising activities as all fundraising was performed by volunteers and board members.

NOTE 8. 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, 2012, the Organization's cash balances did not exceed the FDIC limit.

NOTE 9. 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 \$4,350. During 2012 the special event was a cocktail reception. Revenues were \$3,650 and expenses were \$516, resulting in revenue of \$3,134.