

**PLAYING FOR CHANGE FOUNDATION**

**FINANCIAL REPORT**

For the year ended  
December 31, 2011

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For the year ended December 31, 2011

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## Independent Accountants' Compilation Report

Board of Directors  
Playing for Change Foundation  
Culver City, California

We have compiled the accompanying statement of financial position of Playing for Change Foundation (a California nonprofit organization) as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year 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 State 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.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Gumbiner Savett Inc.*

November 7, 2012

PLAYING FOR CHANGE FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
December 31, 2011

ASSETS

Cash and cash equivalents	\$	80,400	
Pledges receivable		21,391	
Prepaid expenses		1,381	
Website development costs, net of accumulated amortization of \$11,920		45,806	
TOTAL ASSETS			\$ 148,978

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$	24,972	
Deferred rent		33,187	
TOTAL LIABILITIES			\$ 58,159

NET ASSETS

Unrestricted		74,152	
Temporarily restricted		16,667	
TOTAL NET ASSETS			90,819
TOTAL LIABILITIES AND NET ASSETS			\$ 148,978

PLAYING FOR CHANGE FOUNDATION  
STATEMENT OF ACTIVITIES  
For the year ended December 31, 2011

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
<b>SUPPORT, REVENUES, AND RECLASIFICATIONS</b>			
Contributions and grants	\$ 386,405	\$ 290,400	\$ 676,805
Other income	2,176	-	2,176
Net assets released from restrictions:			
Satisfaction of donor restrictions	<u>273,733</u>	<u>(273,733)</u>	<u>-</u>
 <b>TOTAL SUPPORT, REVENUES, AND RECLASIFICATIONS</b>	 <u>662,314</u>	 <u>16,667</u>	 <u>678,981</u>
 <b>EXPENSES</b>			
Program activities	367,434	-	367,434
General and administrative	173,665	-	173,665
Development and fund-raising	<u>174,273</u>	<u>-</u>	<u>174,273</u>
 <b>TOTAL EXPENSE</b>	 <u>715,372</u>	 <u>-</u>	 <u>715,372</u>
 <b>CHANGE IN NET ASSETS</b>	 (53,058)	 16,667	 (36,391)
 <b>NET ASSETS - BEGINNING OF YEAR</b>	 <u>127,210</u>	 <u>-</u>	 <u>127,210</u>
 <b>NET ASSETS - END OF YEAR</b>	 \$ <u><u>74,152</u></u>	 \$ <u><u>16,667</u></u>	 \$ <u><u>90,819</u></u>

PLAYING FOR CHANGE FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended December 31, 2011

	<u>PROGRAM ACTIVITIES</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>DEVELOPMENT AND FUNDRAISING</u>	<u>TOTAL EXPENSES</u>
Direct program activities	\$ 185,787	\$ -	\$ -	\$ 185,787
Personnel	44,417	29,496	17,629	91,542
Contract services:				
Management	12,190	26,993	47,891	87,074
Legal fees	-	15,000	3,402	18,402
Accounting fees	-	9,075	-	9,075
Other consulting fees	54,421	32,967	55,365	142,753
Office rent	35,475	23,557	14,079	73,111
Utilities	438	291	173	902
Travel and meetings	24,790	2,860	14,276	41,926
Supplies	-	5,397	486	5,883
Telephone	7,452	4,949	2,958	15,359
Donor cultivation	-	-	14,179	14,179
Bank and merchant fee	2,464	4,474	-	6,938
Insurance	-	950	-	950
Postage	-	1,610	1,799	3,409
Printing and copying	-	4,151	2,036	6,187
Taxes, licenses, and fees	-	525	-	525
Amortization-website	-	9,545	-	9,545
Repairs and maintenance	-	1,825	-	1,825
	<u>\$ 367,434</u>	<u>\$ 173,665</u>	<u>\$ 174,273</u>	<u>\$ 715,372</u>

PLAYING FOR CHANGE FOUNDATION  
STATEMENT OF CASH FLOWS  
For the year ended December 31, 2011

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Change in net assets	\$ (36,391)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Amortization of website development costs	9,545
Increase (decrease) in:	
Pledges receivable	(21,391)
Prepaid expenses	(120)
Accounts payable and accrued expenses	24,972
Deferred rent	<u>33,187</u>
Net cash provided by operating activities	<u>9,802</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Website development costs	<u>(15,000)</u>
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	 (5,198)
 <b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	 <u>85,598</u>
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	 \$ <u><u>80,400</u></u>