

PLAYING FOR CHANGE FOUNDATION

FINANCIAL REPORT

For the year ended
December 31, 2012

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Independent Accountant's Compilation Report

Board of Directors
Playing for Change Foundation
Santa Monica, California

We have compiled the accompanying statement of financial position of Playing for Change Foundation (a California nonprofit organization) as of December 31, 2012, 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.

June 26, 2013

PLAYING FOR CHANGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
December 31, 2012

ASSETS

Cash and cash equivalents	\$	96,568	
Pledges receivable		29,652	
Prepaid expenses		2,945	
Website development costs, net of accumulated amortization of \$23,464		<u>34,261</u>	
TOTAL ASSETS			\$ <u>163,426</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$	13,621	
Deferred rent		<u>66,262</u>	
TOTAL LIABILITIES			\$ 79,883

NET ASSETS

Unrestricted		74,424	
Temporarily restricted		<u>9,119</u>	
TOTAL NET ASSETS			<u>83,543</u>

TOTAL LIABILITIES AND NET ASSETS			\$ <u>163,426</u>
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PLAYING FOR CHANGE FOUNDATION
STATEMENT OF ACTIVITIES
For the year ended December 31, 2012

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
SUPPORT, REVENUES, AND RECLASSIFICATIONS			
Contributions and grants	\$ 703,388	\$ 47,119	\$ 750,507
Other income	1,087	-	1,087
Net assets released from restrictions:			
Satisfaction of donor restrictions	<u>54,667</u>	<u>(54,667)</u>	<u>-</u>
 TOTAL SUPPORT, REVENUES, AND RECLASSIFICATIONS	 <u>759,142</u>	 <u>(7,548)</u>	 <u>751,594</u>
 EXPENSES			
Program activities	427,018	-	427,018
General and administrative	161,307	-	161,307
Development and fund-raising	<u>170,545</u>	<u>-</u>	<u>170,545</u>
 TOTAL EXPENSE	 <u>758,870</u>	 <u>-</u>	 <u>758,870</u>
 CHANGE IN NET ASSETS	 272	 (7,548)	 (7,276)
 NET ASSETS - BEGINNING OF YEAR	 <u>74,152</u>	 <u>16,667</u>	 <u>90,819</u>
 NET ASSETS - END OF YEAR	 <u>\$ 74,424</u>	 <u>\$ 9,119</u>	 <u>\$ 83,543</u>

PLAYING FOR CHANGE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2012

	<u>PROGRAM ACTIVITIES</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>DEVELOPMENT AND FUNDRAISING</u>	<u>TOTAL EXPENSES</u>
Direct program activities	\$ 160,445	\$ -	\$ -	\$ 160,445
Personnel	59,659	36,676	16,790	113,125
Contract services:				
Management	31,069	15,535	31,069	77,673
PFC Day	67,637	175	45,091	112,903
Legal fees	-	10,964	89	11,053
Accounting fees	-	12,305	-	12,305
Other consulting fees	11,200	9,843	38,179	59,222
Office rent	62,552	38,454	17,604	118,610
Utilities	1,364	839	384	2,587
Travel and meetings	25,446	3,910	7,205	36,561
Supplies	-	3,907	-	3,907
Telephone	3,957	2,432	1,114	7,503
Donor cultivation	-	-	9,518	9,518
Bank and merchant fee	1,889	5,401	20	7,310
Insurance	-	4,116	-	4,116
Postage	-	2,946	1,063	4,009
Printing and copying	-	291	1,219	1,510
Taxes, licenses, and fees	-	1,308	-	1,308
Amortization-website	1,800	8,545	1,200	11,545
Repairs and maintenance	-	3,660	-	3,660
	<u>\$ 427,018</u>	<u>\$ 161,307</u>	<u>\$ 170,545</u>	<u>\$ 758,870</u>

PLAYING FOR CHANGE FOUNDATION
STATEMENT OF CASH FLOWS
For the year ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ (7,276)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Amortization of website development costs	11,545
Change in assets and liabilities:	
Pledges receivable	(8,261)
Prepaid expenses	(1,564)
Accounts payable and accrued expenses	(11,351)
Deferred rent	<u>33,075</u>
Net cash provided by operating activities	<u>16,168</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	16,168
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>80,400</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 96,568</u></u>