

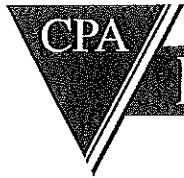
**THE CHILDREN'S AGENDA**

**FINANCIAL STATEMENTS**

**December 31, 2009**

## TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Balance Sheets	2
Statement of Activities	3
Statement of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Children's Agenda  
Rochester, New York

We have audited the accompanying balance sheets of The Children's Agenda (a nonprofit organization) as of December 31, 2009 and 2008, the related statements of cash flows for the years then ended and the statements of activities and functional expenses for the year ended December 31, 2009. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Organization's 2008 financial statements where, in our report dated May 12, 2009, 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 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. We believe that our audits provide 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 The Children's Agenda as of December 31, 2009 and 2008, its cash flows for the years then ended and the results of its operations for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America.

Heveron & Heveron  
Certified Public Accountants

Rochester, New York  
June 8, 2010



**THE CHILDREN'S AGENDA  
BALANCE SHEETS  
December 31, 2009 and 2008**

**ASSETS**

	2009	2008
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 311,486	\$ 138,964
Short Term Investments	955	159,626
Accounts Receivable	-	1,500
Contributions Receivable	51,000	55,650
Prepaid Expenses	718	757
Total Current Assets	364,159	356,497
 <u>Other Assets</u>		
Contributions Receivable - Long Term	34,000	25,000
Total Other Assets	34,000	25,000
<b>TOTAL ASSETS</b>	<b>398,159</b>	<b>381,497</b>

**LIABILITIES AND NET ASSETS**

<u>Current Liabilities</u>		
Accounts Payable and Accrued Expenses	129,893	119,925
Deferred Revenue	-	35,328
Payroll Liabilities	2,499	2,287
Total Current Liabilities	132,392	157,540
Total Liabilities	132,392	157,540
 <u>Net Assets</u>		
Unrestricted	169,687	118,307
Temporarily Restricted	96,080	105,650
Total Net Assets	265,767	223,957
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 398,159</b>	<b>\$ 381,497</b>

See Independent Auditors' Report and Notes to Financial Statements.

**THE CHILDREN'S AGENDA**  
**STATEMENT OF ACTIVITIES**  
**For The Year Ended December 31, 2009**  
**(With Comparative Totals For The Year Ended December 31, 2008)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>	
			<u>2009</u>	<u>2008</u>
<u>Support and Revenue</u>				
Support:				
Gifts, Grants and Contributions	\$ 182,290	\$ 70,000	\$ 252,290	\$ 96,782
In-Kind Contributions	1,047	-	1,047	1,042
Net Assets Released From Restriction	79,570	(79,570)	-	-
Revenue:				
Research Income	48,328	-	48,328	42,188
Investment Income	<u>1,998</u>	<u>-</u>	<u>1,998</u>	<u>9,311</u>
Total Support and Revenue	<u>313,233</u>	<u>(9,570)</u>	<u>303,663</u>	<u>149,323</u>
<u>Expenses</u>				
Program Services	153,694	-	153,694	336,512
Supporting Services:				
Management and General	68,252	-	68,252	63,783
Fundraising Expenses	<u>39,907</u>	<u>-</u>	<u>39,907</u>	<u>24,119</u>
Total Expenses	<u>261,853</u>	<u>-</u>	<u>261,853</u>	<u>424,414</u>
Excess/(Deficit) of Support and Revenue Over Expenses	51,380	(9,570)	41,810	(275,091)
Net Assets - Beginning of Year	<u>118,307</u>	<u>105,650</u>	<u>223,957</u>	<u>499,048</u>
Net Assets - End of Year	<u>\$ 169,687</u>	<u>\$ 96,080</u>	<u>\$ 265,767</u>	<u>\$ 223,957</u>

See Independent Auditors' Report and Notes to Financial Statements.

**THE CHILDREN'S AGENDA**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For The Year Ended December 31, 2009**  
**(With Comparative Totals For The Year Ended December 31, 2008)**

	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and General</u>	<u>Fund</u> <u>Raising</u>	<u>Totals</u>	
				<u>2009</u>	<u>2008</u>
Salaries, Payroll Taxes, and Employee Benefits	\$ 124,399	\$ 55,765	\$ 34,317	\$214,481	\$ 186,187
Professional Fees	13,380	5,354	1,200	19,934	13,310
Occupancy	3,912	1,753	1,079	6,744	6,500
Meetings and Travel	3,113	1,395	859	5,367	6,526
Printing and Postage	2,353	1,055	649	4,057	2,035
Office Expense	2,103	943	580	3,626	2,492
Small Equipment Purchases	1,680	753	464	2,897	410
Insurance	1,429	640	394	2,463	2,438
Telephone	1,325	594	365	2,284	2,215
Nurse Family Partnership	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,301</u>
 Total Expenses	 <u>\$ 153,694</u>	 <u>\$ 68,252</u>	 <u>\$ 39,907</u>	 <u>\$261,853</u>	 <u>\$424,414</u>

See Independent Auditors' Report and Notes to Financial Statements.

**THE CHILDREN'S AGENDA**  
**STATEMENTS OF CASH FLOWS**  
**For The Years Ended December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<u>Cash Flow From Operating Activities</u>		
Excess/(Deficit) of Support and Revenue Over Expenses	\$ 41,810	\$ (275,091)
Noncash Expenses, Revenues, Losses and Gains:		
Decrease/(Increase) In:		
Accounts Receivable	1,500	3,750
Contributions Receivable	(4,350)	35,100
Prepaid Expenses	39	(80)
Increase/(Decrease) In:		
Accounts Payable and Accrued Expenses	9,968	75,624
Deferred Revenue	(35,328)	35,328
Payroll Liabilities	<u>212</u>	<u>(3,399)</u>
Net Cash Flow Provided/(Used) By Operating Activities	<u>13,851</u>	<u>(128,768)</u>
<u>Cash Flow From Investing Activities</u>		
Proceeds from Sale of Investments	159,626	253,142
Purchase of Investments	<u>(955)</u>	<u>(65,441)</u>
Cash Flow Provided By Investing Activities	<u>158,671</u>	<u>187,701</u>
Net Increase in Cash and Cash Equivalents	172,522	58,933
Cash and Cash Equivalents - Beginning of Year	<u>138,964</u>	<u>80,031</u>
Cash and Cash Equivalents - End of Year	<u>\$ 311,486</u>	<u>\$ 138,964</u>

See Independent Auditors' Report and Notes to Financial Statements.

**THE CHILDREN'S AGENDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

The Children's Agenda (the Organization) is a not-for-profit organization, which promotes research-based change for the health and well-being of children in Monroe County (New York). It is the vision of the Organization that every child in our community thrives with a healthy body, mind and spirit. The Organization, established in 2004, is committed to being an objective and non-partisan resource to help key audience members understand the issues facing children and families in its community and equally important, understand viable solutions and their costs and benefits.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, the Organization reports information regarding its financial position and activities according to the existence and nature of donor restrictions in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. There were no permanently restricted net assets at December 31, 2009 and 2008.

The Organization also records contributions received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions.

The following are descriptions of the Organization's net asset classifications:

Unrestricted: Unrestricted net assets include resources that are available for the general support of the Organization's operations.

Temporarily Restricted Net Assets: Temporarily restricted net assets include resources from contributions where use by the Organization is subject to donors' restrictions that expire with the passage of time or by actions of the Organization.

When donor restrictions from prior years expire, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.



**THE CHILDREN'S AGENDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009**  
**(Continued)**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Temporarily Restricted Net Assets consisted of the following at December 31:

	2009	2008
External Relations Manager Salary	\$ 61,080	\$ 75,000
Other Time Restricted Contributions	35,000	30,650
	\$ 96,080	\$ 105,650

Contributions

Contributions are recorded at the time of receipt or when evidence of a non-conditional promise to give has been received. Promises subject to conditions are not recorded as income until those conditions have been met. Contributions that are expected to be received in future years are recorded at their present value. Contributions are recorded as unrestricted unless they are subject to donor restrictions or are required to be used or expected to be received in future years.

Income Taxes

The Internal Revenue Service has determined that the Organization is qualified as a charity exempt under Section 501(c)(3) of the Internal Revenue Code, and has also determined that the Organization is publicly supported. As a result, no provision for federal or state income taxes has been made. The Organization has also been classified as an organization that is not a private foundation.

FASB ASC #740, *Income Taxes*, requires entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including the year ended December 31, 2006 and later are subject to examination by tax authorities. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Organization does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liability for penalties or interest.

The Organization is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

**THE CHILDREN'S AGENDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009**  
**(Continued)**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect. Amounts that management believes to be uncollectible, after collection efforts have been completed, are written off. In addition, management evaluates the need for and, if appropriate, provides an allowance to reduce receivables to amounts management expects will be collected. Management determined that no allowances were necessary at December 31, 2009 and 2008.

Pledges and Contributions Receivable

Pledges and contributions receivable represent amounts due the Organization under the terms of unconditional promises to give.

Cash and Cash Equivalents

Cash and cash equivalents include all cash on hand and in banks, which, at times, may exceed federally insured limits. The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certain of these accounts are not federally insured. The Organization has not experienced any losses in these accounts and does not believe it is exposed to any significant credit risk with respect to cash and cash equivalents.

Cash and cash equivalents consisted of the following at December 31:

	2009	2008
Checking	\$ 109,463	\$ 138,964
Savings	202,023	-
Total	\$ 311,486	\$ 138,964

Use of Estimates in the Preparation of Financial Statements

Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts of assets and liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could vary from those estimates.

Functional Expenses

The costs of providing the various program services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program, management and general, and fundraising categories.

**THE CHILDREN'S AGENDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009**  
**(Continued)**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Deferred Revenue

Deferred revenue consists of amounts received prior to when they are earned. The related revenue is recognized when services are performed.

Determining Fair Value of Financial Assets and Liabilities

As defined in FASB ASC #820, *Fair Value Measurements and Disclosures*, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC #820 applies to all assets and liabilities that are being measured and reported on the fair value basis. FASB ASC #820 requires new disclosures that establish a framework for measuring fair value and expands disclosure about fair value measurements. This statement enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices and active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Retirement Plan

The Organization has a pension plan covering all employees with at least one month of service that have attained the age of 21. Elective matching contributions are equal to the participant's deferred compensation contribution, but will not exceed 5% of the participant's compensation paid or accrued during the plan year. Retirement plan expense for the years ended December 31, 2009 and 2008 amounted to \$5,284 and \$5,152, respectively.

**NOTE 2 - INVESTMENTS**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair market value. Unrealized gains or losses on securities result from differences between the cost and fair market value of securities on a specified valuation date.

**THE CHILDREN'S AGENDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009**  
**(Continued)**

**NOTE 2 - INVESTMENTS (Continued)**

Investment securities are exposed to various risks, such as interest rate, market, economic conditions, world affairs and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Investments are held in investment funds. A summary of investments at market value at December 31 are as follows:

	<u>2009</u>	<u>2008</u>
Certificates of Deposit	\$ -	\$ 158,678
Equity Investments	<u>955</u>	<u>948</u>
Total Investments	<u>\$ 955</u>	<u>\$ 159,626</u>

All of the investments are based on Level 1 inputs in the hierarchy as described in Note 1.

**NOTE 3 - DONATED SERVICES AND GOODS**

The Organization receives donated services that, although substantial, do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United States of America. During 2009 and 2008, approximately 16 and 15 active volunteers provided 758 and 660 hours of service, respectively. Volunteers served on the board of directors and provided leadership and governance for the operations of the Organization.

**NOTE 4 - CONTRIBUTIONS RECEIVABLE**

The Organization has been raising funds for future operations. The contributions receivable represent amounts due the Organization under the terms of unconditional promises to give. Contributions receivable at December 31, 2009 amounted to \$85,000, \$51,000 of which is due in 2010 and the remaining \$34,000 is expected to be received in 2011.

**NOTE 5 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 8, 2010, which is the date the statements were available for issuance.