

**A KID AGAIN, INC.**

Columbus, Ohio

Financial Statements  
December 31, 2011

**MULLIGAN, TOPY & CO.**  
**Certified Public Accountants**  
Gahanna, Ohio



**MULLIGAN, TOPY & CO.**

Certified Public Accountants  
196 West Johnstown Road  
Gahanna, Ohio 43230-2731  
614-471-1040  
FAX 614-471-1068  
E-Mail: [mtcpa@mulligantopy.com](mailto:mtcpa@mulligantopy.com)

**INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
A Kid Again, Inc.  
Columbus, Ohio

We have audited the accompanying statements of financial position of the A Kid Again, Inc. (a not for profit corporation) as of December 31, 2011 and 2010 and the related statements of activities, cash flows and functional expenses for the years then ended. 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.

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 A Kid Again, Inc. as of December 31, 2011 and 2010 and the results of its operations and changes in net assets, for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Gahanna, Ohio  
September 10, 2012

*Mulligan, Topy & Co.*

# A KID AGAIN, INC.

## Statements of Financial Position December 31,

### ASSETS

|  | 2011              | 2010              |
|--|-------------------|-------------------|
| <b>Current Assets:</b>                       |                   |                   |
| Cash   | \$ 608,324        | \$ 614,213        |
| Investments                                  | 10,230            | 9,630             |
| Contributions receivable                     | 73,291            | 136,992           |
| Prepaid expense                              | 14,101            | 8,800             |
| Deposit                                      | 1,936             | 3,701             |
| Beneficial interest in assets held by others | 97,770            | 92,010            |
| Total current assets                         | <u>805,651</u>    | <u>865,346</u>    |
| <b>Property and Equipment:</b>               |                   |                   |
| Furniture and fixtures                       | 69,553            | 104,629           |
| Less accumulated depreciation                | <u>55,588</u>     | <u>83,070</u>     |
| Net property and equipment                   | <u>13,964</u>     | <u>21,559</u>     |
| <b>Total Assets</b>                          | <u>\$ 819,615</u> | <u>\$ 886,905</u> |

### LIABILITY AND NET ASSETS

|   |                   |                   |
|---|-------------------|-------------------|
| <b>Current Liability:</b>                   |                   |                   |
| Accounts payable                            | \$ 48,821         | \$ 56,544         |
| Total current liability and total liability | <u>48,821</u>     | <u>56,544</u>     |
| <b>Net Assets:</b>                          |                   |                   |
| Unrestricted                                | 595,385           | 683,316           |
| Temporarily restricted                      | 110,364           | 82,000            |
| Permanently restricted                      | <u>65,045</u>     | <u>65,045</u>     |
| Total net assets                            | <u>770,794</u>    | <u>830,361</u>    |
| <b>Total Liability and Net Assets</b>       | <u>\$ 819,615</u> | <u>\$ 886,905</u> |

See Notes to Financial Statements.

# A KID AGAIN, INC.

## Statements of Activities For the Years Ended December 31,

|   | 2011              | 2010              |
|---|-------------------|-------------------|
| <b>Unrestricted Revenues, Support and Gains:</b>        |                   |                   |
| Contributions:  |                   |                   |
| Public  | \$ 515,430        | \$ 576,585        |
| In-Kind   | 514,615           | 493,867           |
| Total contributions                                     | <u>1,030,045</u>  | <u>1,070,452</u>  |
| Fundraising   | 713,586           | 666,450           |
| Interest income   | 5,052             | 4,891             |
| Investment income                                       | 3,597             | 754               |
| Net assets released from restrictions                   | 32,000            | 57,225            |
| Total unrestricted revenues, support and gains          | <u>1,784,280</u>  | <u>1,799,772</u>  |
| <br><b>Unrestricted Expenses and Losses:</b>            |                   |                   |
| Adventures  | 1,414,981         | 1,446,675         |
| Education   | 172,589           | 163,392           |
| Fundraising   | 233,832           | 224,403           |
| Management and general                                  | 50,809            | 45,673            |
| Total unrestricted expenses and losses                  | <u>1,872,211</u>  | <u>1,880,143</u>  |
| Change in unrestricted net assets                       | (87,931)          | (80,371)          |
| <br><b>Change in Temporarily Restricted Net Assets:</b> |                   |                   |
| Contributions   | 60,364            | 82,000            |
| Net assets released from restrictions                   | (32,000)          | (57,225)          |
| Change in temporarily restricted net assets             | <u>28,364</u>     | <u>24,775</u>     |
| <br><b>Change in Permanently Restricted Net Assets:</b> |                   |                   |
| Contributions   | <u>          </u> | 497               |
| Change in permanently restricted net assets             | <u>          </u> | 497               |
| <b>Change in Net Assets</b>                             | <u>(59,567)</u>   | <u>(55,099)</u>   |
| <br><b>Net Assets - Beginning of Year</b>               | <u>830,361</u>    | <u>885,460</u>    |
| <b>Net Assets - End of Year</b>                         | <u>\$ 770,794</u> | <u>\$ 830,361</u> |

See Notes to Financial Statements.

# A KID AGAIN, INC.

## Statements of Cash Flows For the Years Ended December 31,

|  | 2011              | 2010              |
|--|-------------------|-------------------|
| <b>Cash Flows from Operating Activities:</b>   |                   |                   |
| Change in net assets   | \$ (59,567)       | \$ (55,099)       |
| Adjustment to reconcile change in net assets to net cash provided by (used by) operating activities: |                   |                   |
| Depreciation   | 11,834            | 14,620            |
| Unrealized (gain) or loss  | (3,597)           | (1,454)           |
| (Increase) Decrease in:  |                   |                   |
| Contributions receivable   | 63,701            | (22,268)          |
| Prepaid expense  | (5,301)           | 12,393            |
| Deposits   | 1,766             | (1,655)           |
| Increase (Decrease) in:  |                   |                   |
| Accounts payable   | (7,723)           | 6,321             |
| Net cash provided by (used by) operating activities  | <u>1,113</u>      | <u>(47,142)</u>   |
| <b>Cash Flows from Investing Activities:</b>   |                   |                   |
| Purchase of property and equipment   | (4,239)           | (8,991)           |
| Purchase of beneficial interest in assets held by others   | (2,763)           | (527)             |
| Purchase of investments  |                   | (254)             |
| Net cash provided by (used by) investing activities  | <u>(7,002)</u>    | <u>(9,772)</u>    |
| <b>Net Increase (Decrease) in Cash</b>   | <u>(5,889)</u>    | <u>(56,914)</u>   |
| <b>Cash - Beginning of Year</b>  | 614,213           | 671,127           |
| <b>Cash - End of Year</b>  | <u>\$ 608,324</u> | <u>\$ 614,213</u> |
| <b>Cash Paid for Income Taxes</b>  | <u>\$ 0</u>       | <u>\$ 0</u>       |
| <b>Cash Paid for Interest</b>  | <u>\$ 0</u>       | <u>\$ 0</u>       |

See Notes to Financial Statements.

# A KID AGAIN, INC.

## Statement of Functional Expenses For the Year Ended December 31, 2011

|                         | <b>Program</b>             | <b>Education</b>         | <b>Fund<br/>Raising</b>  | <b>Management<br/>&amp; General</b> | <b>Total</b>               |
|-------------------------|----------------------------|--------------------------|--------------------------|-------------------------------------|----------------------------|
| Adventure Programs      | \$ 733,246                 |                          |                          |                                     | \$ 733,246                 |
| Fundraising Expenses    |                            | \$ 29,790                | \$ 90,079                |                                     | 119,869                    |
| Bank Charges            | 8,452                      | 2,053                    | 4,794                    | \$ 250                              | 15,549                     |
| Board Expenses          | 3,226                      | 246                      | 246                      |                                     | 3,718                      |
| Chapter Development     | 25,000                     |                          |                          |                                     | 25,000                     |
| Employee Benefits       | 3,697                      | 939                      | 552                      | 331                                 | 5,519                      |
| Leased Employees        | 441,669                    | 106,200                  | 108,776                  | 46,002                              | 702,647                    |
| Director's Expenses     | 23,021                     | 2,877                    | 2,877                    |                                     | 28,775                     |
| Employee Education      | 1,653                      | 207                      | 207                      |                                     | 2,067                      |
| Legal and Professional  | 44,298                     | 5,563                    | 5,563                    |                                     | 55,424                     |
| Memberships             | 3,832                      | 829                      | 661                      | 200                                 | 5,522                      |
| Postage                 | 2,714                      | 663                      | 424                      | 214                                 | 4,015                      |
| Rent and Office Expense | 70,781                     | 13,266                   | 11,717                   | 1,790                               | 97,554                     |
| Repairs and Maintenance | 651                        | 165                      | 98                       | 58                                  | 972                        |
| Printing                | 2,297                      | 549                      | 364                      | 172                                 | 3,382                      |
| Supplies                | 13,542                     | 3,187                    | 2,189                    | 949                                 | 19,867                     |
| Telephone               | 13,494                     | 2,881                    | 2,312                    | 670                                 | 19,357                     |
| Depreciation            | 9,468                      | 1,183                    | 1,183                    |                                     | 11,834                     |
| Insurance               | 6,035                      | 754                      | 754                      |                                     | 7,543                      |
| Vehicle expense         | 1,932                      | 490                      | 289                      | 173                                 | 2,884                      |
| Volunteer Thanks        | 5,973                      | 747                      | 747                      |                                     | 7,467                      |
| <b>Total Expenses</b>   | <b>\$ <u>1,414,981</u></b> | <b>\$ <u>172,589</u></b> | <b>\$ <u>233,832</u></b> | <b>\$ <u>50,809</u></b>             | <b>\$ <u>1,872,211</u></b> |

See Notes to Financial Statements.

# A KID AGAIN, INC.

## Statement of Functional Expenses For the Year Ended December 31, 2010

|                         | Program                    | Education                | Fund<br>Raising          | Management<br>& General | Total                      |
|-------------------------|----------------------------|--------------------------|--------------------------|-------------------------|----------------------------|
| Adventure Programs      | \$ 800,106                 |                          |                          |                         | \$ 800,106                 |
| Fundraising Expenses    |                            | \$ 30,526                | \$ 91,577                |                         | 122,103                    |
| Bank Charges            | 7,925                      | 1,925                    | 4,495                    | \$ 234                  | 14,579                     |
| Board Expenses          | 1,050                      | 80                       | 80                       |                         | 1,210                      |
| Chapter Development     | 27,000                     |                          |                          |                         | 27,000                     |
| Employee Benefits       | 1,977                      | 502                      | 295                      | 177                     | 2,951                      |
| Leased Employees        | 387,663                    | 93,214                   | 95,475                   | 40,377                  | 616,729                    |
| Director's Expenses     | 27,515                     | 3,439                    | 3,439                    |                         | 34,393                     |
| Employee Education      | 1,656                      | 207                      | 207                      |                         | 2,070                      |
| Legal and Professional  | 42,480                     | 5,335                    | 5,335                    |                         | 53,150                     |
| Memberships             | 3,663                      | 792                      | 632                      | 191                     | 5,278                      |
| Postage                 | 6,556                      | 1,601                    | 1,024                    | 516                     | 9,697                      |
| Rent and Office Expense | 76,038                     | 14,251                   | 12,587                   | 1,923                   | 104,799                    |
| Repairs and Maintenance | 900                        | 228                      | 135                      | 80                      | 1,343                      |
| Printing                | 8,564                      | 2,048                    | 1,356                    | 643                     | 12,611                     |
| Supplies                | 11,326                     | 2,665                    | 1,831                    | 794                     | 16,616                     |
| Telephone               | 13,754                     | 2,937                    | 2,357                    | 683                     | 19,731                     |
| Depreciation            | 11,696                     | 1,462                    | 1,462                    |                         | 14,620                     |
| Insurance               | 5,161                      | 645                      | 645                      |                         | 6,451                      |
| Vehicle expense         | 615                        | 156                      | 92                       | 55                      | 918                        |
| Volunteer Thanks        | 11,030                     | 1,379                    | 1,379                    |                         | 13,788                     |
| <b>Total Expenses</b>   | <b>\$ <u>1,446,675</u></b> | <b>\$ <u>163,392</u></b> | <b>\$ <u>224,403</u></b> | <b>\$ <u>45,673</u></b> | <b>\$ <u>1,880,143</u></b> |

See Notes to Financial Statements.

# **A KID AGAIN, INC.**

## **Notes to Financial Statements December 31, 2011**

### **Note 1 - Summary of Significant Accounting Principles**

#### **Organization**

A Kid Again, Inc. (the Organization) is a nonprofit Ohio corporation organized in 1995. It seeks to enrich the lives of children with life threatening illnesses and their families by providing healing times of respite through fun-filled group activities and destination events, which are called adventures. The year round adventures foster laughter, joy, normalcy and supportive networking opportunities. The adventures offer the children the opportunity to be "a kid again". The Organization strives to offer children, siblings and parents a cost free occasion to enjoy quality time together and to create lasting memories. Additional program services include hospital visitations to children who are undergoing treatment, parent's night out to lighten the burdens of the parents and caregivers of the children, and periodic newsletters to volunteers and family members.

It accomplishes this mission through the dedication of a volunteer network and the generosity of our donors, providing them with the opportunity to enrich their own lives as they ease the lives of our A Kid Again Families.

To accomplish its goal, the Organization holds fundraisers, applies for grants and seeks public support.

#### **Accounting Principles**

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

#### **Basis of Presentation**

These financial statements have been prepared to focus on the Organization as a whole and to present net assets, revenues, expenses, gains, and losses based on according to the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.



# A KID AGAIN, INC

## Notes to Financial Statements (Continued) December 31, 2011

### Note 1 - Summary of Significant Accounting Principles (Continued)

#### Basis of Presentation (Continued)

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use the income earned on the related investments for general or specific purposes.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all demand deposits with financial institutions and highly liquid investments with a maturity of three (3) months or less to be cash equivalents.

#### Contributions Receivable

Contributions receivable consists mainly of contributions to be received from businesses and individuals in the Ohio area within the next year.

#### Property and Equipment

Equipment is carried at cost less applicable depreciation on the statements of financial position. Equipment is depreciated using the straight-line method over a three to ten year life.

# A KID AGAIN, INC

## Notes to Financial Statements (Continued) December 31, 2011

### Note 1 - Summary of Significant Accounting Principles (Continued)

#### Income Taxes

The Organization is exempt from federal income taxes under the provisions of Section 501 (c) (3) of the Internal Revenue Code. It is also exempt from state income taxes. However, any unrelated business income may be subject to taxation. Currently, the Organization has no obligation for any unrelated business income tax. Accordingly, no provision for federal income taxes has been made in the financial statements.

The Organization has income tax returns open to Internal Revenue Service audit for the years ending December 31, 2011, 2010, 2009 and 2008.

#### Public Support and Revenues

Support from the public is recorded upon the receipt of cash or pledge to contribute. The Organization provides an allowance for uncollectible pledges and contributions receivable when deemed necessary, based on past experience and management's assessment of the collectibility of existing specific accounts. No allowance was deemed necessary at December 31, 2011 and 2010.

#### Contributions

The Organization records its contributions at their fair market value at the date of contribution and 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 restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

#### Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization; that is, in substance unconditional. Contributions that are received subject to certain donor stipulations are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

# A KID AGAIN, INC.

## Notes to Financial Statements (Continued) December 31, 2011

### Note 1 - Summary of Significant Accounting Principles (Continued)

#### Functional Allocation of Expenses

The cost of providing Adventures and other activities have been allocated between program expenses, education, fundraising, and management and general on a basis which management has determined to be reasonable.

#### Volunteer Services

The Organization gratefully acknowledges the contributed services, which it receives from volunteers who assist in its fundraising efforts and general mission. In accordance with FASB Accounting Standards Codification ASC 958-605 *Revenue Recognition* the value of such services has not been recognized in the financial statements.

### Note 2 - Investments

Investments consist of equity securities with readily determined fair values are carried at fair value based on quoted prices in active markets (Level 1 measurements).

Investment return for the year's ending December 31 is summarized as follows:

|                      | 2011           | 2010         |
|----------------------|----------------|--------------|
| Dividends            |                | \$254        |
| Realized Gain (Loss) | \$3,597        | 500          |
| Total                | <u>\$3,597</u> | <u>\$754</u> |

### Note 3 - Beneficial Interest in Assets Held by Others

The Organization transferred money to the Columbus Foundation. The Foundation is investing the funds and distributing the net income to the Organization. The principal is available to the Organization if they request it. The income from the fund was \$3,218 and \$1,609 for the years ended 2011 and 2010 respectively. Fees charged were \$456 and \$584 for the years ended 2011 and 2010 respectively. During the years ended December 31, 2011 and 2010 the Organization had realized and unrealized gains of \$2,998 and \$945, respectively.

# A KID AGAIN, INC.

## Notes to Financial Statements (Continued) December 31, 2011

### Note 4 - Permanently Restricted Net Assets

Permanently restricted net assets consist of donor restricted assets (endowments) of which only the income can be spent by the Organization. The permanently restricted net assets as of December 31, 2011 were an internally controlled endowment with the income restricted to the accomplishment of its charitable purpose. The permanently restricted money is a part of the beneficial interest in assets held by others.

### Note 5 - Supplemental Cash Flow Information

#### Non - Cash Transactions

During the years ended December 31, 2011 and 2010, the Organization received \$514,615 and \$493,867 in In-Kind contributions. These contributions were offset by recording an expense into the activity or account to which they relate.

#### Cash Paid for Income Taxes and Interest

The Organization paid no income taxes or interest for the years ended December 31, 2011 or 2010.

### Note 6 - Lease

#### Offices

The Organization has offices in Columbus, Cincinnati and Dayton. The Columbus office prior to October 15, 2010, received its office space rent free from an unrelated donor. The Cincinnati office is on a month to month lease and the Dayton office is rented at less than fair market value. Rent is recorded at its estimated fair market value as an In-Kind contribution and rent expense in the accompanying financial statements. Total In-Kind rent income and expense recorded in the financial statements for the years December 31, 2011 and 2010 is was \$0 and \$48,145, respectively.

On October 15, 2010 the Organization's leased approximately 5,674 square feet of office space for administrative services in Columbus, Ohio. The term of the lease is for five years beginning on October 15, 2010, and ending on October 14, 2015. There is an option to renew for an additional five years at the end of the five-year period at \$7.35 per square foot. The lease allows the Organization to terminate the lease after three (3) years by paying a termination fee of \$8,500.00. The Organization is trying to sublet the office space but is obligated for the lease payments until it is sublet.

# A KID AGAIN, INC.

## Notes to Financial Statements (Continued) December 31, 2011

### Note 6 – Lease (Continued)

#### Other

The Organization also lease storage spaces in the various cities it is located. Most of these leases are on a month to month basis.

Future minimum lease payments under operating leases are as follows as of December 31,:

|       |                  |
|-------|------------------|
| 2012  | \$ 25,060        |
| 2013  | 34,635           |
| 2014  | 37,177           |
| 2015  | <u>30,320</u>    |
| Total | <u>\$127,192</u> |

Total rent expense, including In-Kind rent expense, recorded in the financial statements for the year's ended December 31, 2011 and 2010 is \$40,426 and \$73,731. These amounts are included in the statements of functional expenses line rent and office expense.

### Note 7 - Commitments and Contingencies

The Organization may be subject to various claims, legal proceedings, and investigations covering a wide range of matters that arise in the ordinary course of business. In the opinion of management all such matters are adequately covered by insurance and if not so covered, are without merit or are of such kind, or involve such amounts, as would not have a significant effect on the financial position or results of operations of the Organization if disposed of unfavorably.

### Note 8 - Subsequent Events

The Organization has evaluated subsequent events through, October 29, 2012 the date which the financial statements were available to be issued.