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**Financial Statements**

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**Acts Community Development Corporation**  
**December 31, 2007**

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### **Financial Statements**

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## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of  
Acts Community Development Corporation  
Brooklyn, New York

I have audited the accompanying statements of financial position of Acts Community Development Corporation as of December 31, 2007, statements of activities and functional expenses, and statements of cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Acts Community Development Corporation as of December 31, 2007 and changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Sam J. Nole and Associates  
Certified Public Accountant  
New York, New York  
May 2, 2008

**ACTS COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2007**

ASSETS

CURRENT ASSETS

Cash	\$ 70,012
Grants receivable	1,739
Prepaid expenses	<u>158</u>
	\$ <u>71,909</u>

LIABILITIES AND UNRESTRICTED FUNDS

CURRENT LIABILITIES

Accrued expenses	\$ 4,519
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UNRESTRICTED FUNDS

<u>67,390</u>
\$ <u>71,909</u>

The accompanying notes are an integral part of this financial statement

**ACTS COMMUNITY DEVELOPMENT CORPORATION  
STATEMENT OF ACTIVITIES AND FUNCTIONAL EXPENSES  
FOR THE YEAR ENDING DECEMBER 31, 2007**

**SUPPORT**

Donations	\$ 217,010
Government grants	96,084
Program service revenue	26,098
Interest income	<u>988</u>
Total unrestricted support	<u>340,180</u>

**EXPENSES**

Program service expenses – Schedule I	301,376
General and administrative expenses – Schedule II	<u>26,643</u>
Total expenses	<u>328,019</u>

Increase (decrease) in net assets 12,161

NET ASSETS – JANUARY 1, 2007 55,229

NET ASSETS – DECEMBER 31, 2007 \$ 67,390

The accompanying notes are an integral part of this financial statement

**ACTS COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDING DECEMBER 31, 2007**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets:		
Net cash provided by (used by) operating activities	\$	12,161
Increase in accounts receivable		( 1,739)
Increase in prepaid expenses		( 158)
Increase in accrued expenses		<u>4,519</u>
Net Increase (Decrease) in Cash		14,783
CASH – JANUARY 1, 2007		<u>55,229</u>
CASH – DECEMBER 31, 2007	\$	<u>70,012</u>

The accompanying notes are an integral part of this financial statement

**ACTS COMMUNITY DEVELOPMENT CORPORATION**  
**SUPPORTING SCHEDULES**  
**FOR THE YEAR ENDING DECEMBER 31, 2007**

	Total	Rachel's Joy	Coney Island Lighthouse Mission
<b>SCHEDULE I – PROGRAM SERVICE EXPENSES</b>			
Accounting and bookkeeping fees	\$ 4,366	\$ 920	\$ 3,446
Advertising and public relations	1,000	1,000	
Computer expenses	737	236	501
Equipment rental	6,053	4,358	1,695
Food for community distribution	169,542	839	168,703
Janitorial and custodial expenses	8,880	660	8,220
Occupancy	39,600	23,472	16,128
Office expenses	2,585	2,224	361
Payroll processing fees	433	82	351
Postage and shipping	528	386	142
Registration fees	185	85	100
Staff compensation and expenses	56,600	12,150	44,450
Supplies	6,137	3,618	2,519
Telephone and internet	2,896	1,904	992
Travel	<u>1,834</u>	<u>1,744</u>	<u>90</u>
	<u>\$301,376</u>	<u>\$ 53,678</u>	<u>\$ 247,698</u>

**SCHEDULE II – GENERAL AND ADMINISTRATIVE EXPENSES**

Accounting	\$	2,566
Advertising/public relations		3,141
Contributions and donations		2,698
Fundraising		4,623
Mail and postage		175
Meetings		1,845
Office expenses		2,171
Registration fees		560
Stipends and volunteers		8,064
Supplies		508
Travel		<u>292</u>
	\$	<u>26,643</u>

The accompanying notes are an integral part of this financial statement

**ACTS COMMUNITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

Note 1 – Summary of Significant Accounting Policies

A. Acts Community Development Corporation adheres to generally accepted accounting principles issued by the standards division of the American Institute of Certified Public Accountants relating to section 501(3) non-profit organization.

B. Volunteers participate in the operations and functions of the organization. These services are not recorded as contributions as there is no measurable basis for determination even though they play a significant role in the operations of many of the programs.

Note 2 – Programs

A. Rachel's Joy Maternity Home: Provides shelter for young homeless pregnant women; GED, ESL, Computer and Job preparedness. The Mother and Baby Wellness Center provides assistance for health and parenting issues with instruction, personal and group counseling. Kindermusic program: GED, ESL serves the community at large.

B. Coney Island Lighthouse Mission: Provides Sec. 8 and other similar government housing for families. A food pantry feeds over 900 families, some 2200 plus people per month. The "Soup Kitchen" feeds hot meals every week to 150 plus people per month. An afterschool program reaches 40+ children per week. Drug/Alcohol counseling is also provided to the community.