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CAMBRIDGE SCHOOL VOLUNTEERS, INC.

FINANCIAL REPORT

JUNE 30, 2011

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Cambridge School Volunteers, Inc.
Cambridge, Massachusetts

I have reviewed the accompanying statements of financial position of Cambridge School Volunteers, Inc. (a Massachusetts nonprofit corporation) as of June 30, 2011 and 2010, and the related statements of activities, functional support and revenue and expenses-unrestricted, and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Cambridge School Volunteers, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my reviews, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

P A Barone, CPA

December 19, 2011
St. Johnsbury, Vermont
Vermont Registration Number 092-0000646

CAMBRIDGE SCHOOL VOLUNTEERS, INC.

STATEMENTS OF FINANCIAL POSITION
June 30, 2011 and 2010

ASSETS

	2011	2010
CURRENT ASSETS		
Cash	$ 54,659	$ -
Contributions receivable	3,000	21,750
Grants receivable	-	6,322
Prepaid expenses	1,031	1,031
Total current assets	58,690	29,103
Property and equipment, net	2,414	4,509
Total assets	$ 61,104	$ 33,612

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	2,145	7,956
Accrued expenses	9,193	3,178
Total current liabilities	11,338	11,134
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Unrestricted	40,486	17,903
Temporarily restricted	9,280	4,575
Total net assets	49,766	22,478
Total net assets and liabilities	$ 61,104	$ 33,612

See accompanying notes and accountant's report.

CAMBRIDGE SCHOOL VOLUNTEERS, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2011

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Contributions	$ 191,461	$22,287	$ 213,748
Contracts	134,222		134,222
Contributed materials, facilities and services	72,263	-	72,263
Other income	6,312	-	6,312
Interest income	11	-	11
	404,269	22,287	426,556
Net assets released from restrictions:			
Satisfaction of program restrictions	17,582	(17,582)	-
Total net assets released from restrictions	17,582	(17,582)	-
Total support and revenue	421,851	4,705	426,556
EXPENSES			
Program services			
General Volunteer Services	24,140	-	24,140
High School Programs	104,784	-	104,784
Elementary Literacy	7,209		7,209
Intergenerational Math	9,908	-	9,908
Corporate Programs	68,357	-	68,357
Elementary Programs	59,712	-	59,712
Total program services	274,110	-	274,110
Supporting services			
Administrative Support	77,733	-	77,733
Fundraising	47,425	-	47,425
Total support services	125,158	-	125,158
Total expenses	399,268	-	399,268
Increase (decrease) in net assets	22,583	4,705	27,288
Net assets at beginning of year	17,903	4,575	22,478
Net assets at end of year	$ 40,486	$ 9,280	$ 49,766

See accompanying notes and accountant's report.

CAMBRIDGE SCHOOL VOLUNTEERS, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2010

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Contributions	$ 170,475	$ -	$ 170,475
Contracts	124,652	14,086	138,738
Contributed materials, facilities and services	54,728	-	54,728
Interest income	*4*	-	4
	349,859	14,086	363,945
Net assets released from restrictions:			
Satisfaction of program restrictions	11,511	(11,511)	-
Total net assets released from restrictions	11,511	(11,511)	-
Total support and revenue	361,370	2,575	363,945
EXPENSES			
Program services			
General Volunteer Services	36,008	-	36,008
High School Programs	91,400	-	91,400
Elementary Literacy	20,098	-	20,098
Intergenerational Math	27,507	-	27,507
Corporate Programs	62,786	-	62,786
Elementary Programs	38,465	-	38,465
Total program services	276,264	-	276,264
Supporting services			
Administrative Support	43,864	-	43,864
Fundraising	38,325	-	38,325
Total support services	82,189	-	82,189
Total expenses	358,453	-	358,453
Increase in net assets	2,917	2,575	5,492
Net assets at beginning of year	14,986	2,000	16,986
Net assets at end of year	$ 17,903	$ 4,575	$ 22,478

See accompanying notes and accountant's report.

CAMBRIDGE SCHOOL VOLUNTEERS, INC.
STATEMENT OF FUNCTIONAL SUPPORT AND REVENUE AND EXPENSES - UNRESTRICTED
Year Ended June 30, 2011

	General Volunteer Services	High School Programs	Elementary Literacy	IMP	Corporate Programs	Elementary Programs	Total Program Services	Administrative Support	Fundraising	Total Support Services	Total
Support and Revenue											
Contributions-CPSD	$ 36,778	$ -	$ 5,537	$ -	$ -	$ 11,349	$ 53,664	$ 65,665	$ -	$ 65,665	$ 119,329
Contributions-Corp. and Fdns.	139,075	-	1,672	9,908	12,860	-	163,515	-	-	-	163,515
Contributions-Individuals	18,232	-	-	-	-	-	18,232	-	-	-	18,232
Fundraising events	26,831	-	-	-	-	-	26,831	-	-	-	26,831
Contracts	-	-	-	-	14,893	-	14,893	-	-	-	14,893
Donated materials, facilities, and services	10,904	47,940	-	-	-	-	58,844	12,057	1,362	13,419	72,263
Miscellaneous income	6,312	-	-	-	465	-	6,777	-	-	-	6,777
Interest income	-	-	-	-	-	-	-	11	-	11	11
Total support and revenue	238,132	47,940	7,209	9,908	28,218	11,349	342,756	77,733	1,362	79,095	421,851
Expenses											
Personnel											
Salaries	6,017	41,121	5,320	3,887	47,477	44,839	148,661	37,299	23,204	60,503	209,164
Payroll taxes	849	5,800	750	548	6,697	6,325	20,969	5,261	3,273	8,534	29,503
Health insurance	816	5,567	720	526	6,427	6,070	20,126	5,049	3,141	8,190	28,316
Workers' compensation	70	456	59	43	526	496	1,650	414	257	671	2,321
Total personnel expenses	7,752	52,944	6,849	5,004	61,127	57,730	191,406	48,023	29,875	77,898	269,304
Professional services	-	49,860	-	4,876	-	1,920	56,656	12,092	9,600	21,692	78,348
Office supplies	153	129	37	11	76	62	468	37	2,773	2,810	3,278
Program materials	80	318	106		838		1,342	-	-	-	1,342
Postage	554	-	-	-	-	-	554	-	364	364	918
Printing and copying	709	-	185	-	-	-	894	884	37	921	1,815
Meeting space	-	-	-	-	-	-	-	10,695	-	10,695	10,695
Training and travel	1,110	457	-	-	5,125	-	6,692	260	-	260	6,952
Meetings	231	199	-	17	432	-	879	-	-	-	879
Fees	200	-	-	-	-	-	200	140	1,295	1,435	1,635
Insurance	-	-	-	-	-	-	-	2,471	-	2,471	2,471
Miscellaneous	1,683	877	32	-	759	-	3,351	211	1,354	1,565	4,916
Occupancy	10,904	-	-	-	-	-	10,904	1,362	1,362	2,724	13,628
Interest	-	-	-	-	-	-	-	793	-	793	793
Depreciation	764	-	-	-	-	-	764	765	765	1,530	2,294
Total expenses	24,140	104,784	7,209	9,908	68,357	59,712	274,110	77,733	47,425	125,158	399,268
Support and revenue over (under) expense	$ 213,992	$ (56,844)	$ -	$ -	$ (40,139)	$ (48,363)	$ 68,646	$ -	$ (46,063)	$ (46,063)	$ 22,583

See accompanying notes and accountant's report.

CAMBRIDGE SCHOOL VOLUNTEERS, INC.
STATEMENT OF FUNCTIONAL SUPPORT AND REVENUE AND EXPENSES - UNRESTRICTED
Year Ended June 30, 2010

	General Volunteer Services	High School Programs	Elementary Literacy	IMP	Corporate Programs	Elementary Programs	Total Program Services	Administrative Support	Fundraising	Total Support Services	Total
Support and Revenue											
Contributions-CPSD	$ 54,945	$ -	$ 5,537	$ -	$ -	$ 11,349	$ 71,831	$ 42,498	$ -	$ 42,498	$ 114,329
Contributions-Corp. and Fdns.	84,501	15,000	8,500	15,500	10,000	-	133,501	-	-	-	133,501
Contributions-Individuals	31,925	-	-	-		-	31,925	-	-	-	31,925
Fundraising events	5,050	-	-	-	-	-	5,050	-	-	-	5,050
Contracts	-	-	-	-	21,833	-	21,833	-	-	-	21,833
Donated materials, facilities, and services	-	52,004	-	-	-	-	52,004	1,362	1,362	2,724	54,728
Interest income	-	-	-	-	-	-	-	4	-	4	4
Total support and revenue	176,421	67,004	14,037	15,500	31,833	11,349	316,144	43,864	1,362	45,226	361,370
Expenses											
Personnel											
Salaries	16,705	39,320	16,168	17,820	46,676	30,768	167,457	23,750	20,579	44,329	211,786
Payroll taxes	1,719	4,505	1,652	1,856	5,411	3,451	18,594	2,246	1,855	4,101	22,695
Health insurance	1,937	5,077	1,862	2,091	6,099	3,890	20,956	2,532	2,091	4,623	25,579
Workers' compensation	129	340	125	140	408	260	1,402	169	140	309	1,711
Total personnel expenses	20,490	49,242	19,807	21,907	58,594	38,369	208,409	28,697	24,665	53,362	261,771
Professional services	660	41,100	175	5,600	-	-	47,535	7,953	7,610	15,563	63,098
Office supplies	90	-	-	-	-	-	90	617	1,970	2,587	2,677
Program materials	-	-	24	-	400	-	424	-	-	-	424
Postage	485	-	-	-	-	-	485	28	375	403	888
Printing and copying	675	-	92	-	107	-	874	-	-	-	874
Interest	-	-	-	-	-	-	-	1,251	-	1,251	1,251
Training and travel	-	433	-	-	3,600	96	4,129	446	-	446	4,575
Meetings	-	140	-	-	85	-	225	-	-	-	225
Fees	-	-	-	-	-	-	-	321	320	641	641
Insurance	-	-	-	-	-	-	-	1,526	-	1,526	1,526
Miscellaneous	1,485	485	-	-	-	-	1,970	445	805	1,250	3,220
Occupancy	10,904	-	-	-	-	-	10,904	1,362	1,362	2,724	13,628
Interest	-	-	-	-	-	-	-	-	-	-	-
Depreciation	1,219	-	-	-	-	-	1,219	1,218	1,218	2,436	3,655
Total expenses	36,008	91,400	20,098	27,507	62,786	38,465	276,264	43,864	38,325	82,189	358,453
Support and revenue over (under) expense	$ 140,413	$ (24,396)	$ (6,061)	$ (12,007)	$ (30,953)	$ (27,116)	$ 39,880	$ -	$ (36,963)	$ (36,963)	$ 2,917

See accompanying notes and accountant's report.

CAMBRIDGE SCHOOL VOLUNTEERS, INC.

STATEMENTS OF CASH FLOWS
June 30, 2011 and 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	$ 27,288	$ 5,492
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	2,294	3,655
Contribution of equipment received in-kind	-	-
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Contributions receivable	18,750	(12,225)
Grants receivable	6,322	(502)
Prepaid expenses		114
Increase (decrease) in liabilities:		
Accounts payable	(5,811)	1,914
Accrued expenses	6,015	1,552
Net cash provided by operating activities	54,858	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(199)	-
Net cash (used) by investing activities	(199)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term loan advances	45,000	88,000
Short-term loan repayments	(45,000)	(88,000)
Net cash provided by financing activities	-	-
Net increase in cash	54,659	-
CASH, beginning of the year	-	-
CASH, end of the year	$ 54,659	$ -

See accompanying notes and accountant's report.

AGO 2/10/2012

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies

Nature of activities

Cambridge School Volunteers, Inc. is a Massachusetts not-for-profit corporation organized in 1974. The Organization coordinates the recruitment and placement of community volunteers in all the Cambridge public schools and develops educational programs utilizing volunteers to serve Cambridge school children. Its support comes primarily from donations from individual, corporate, and foundation donors and from various government contracts.

The Organization's operations are affected by various risk factors. As a nonprofit organization, Cambridge School Volunteers, Inc. is dependent upon outside support, much of which is generated from local businesses, individuals, and Cambridge Public Schools. As a result, the Organization and its contributors may be especially vulnerable to the consequences of changes in the local economy.

Basis of accounting

The financial statements of Cambridge School Volunteers, Inc. have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America; consequently, revenues and support are recognized when earned and expenditures are recognized when incurred.

Financial statement presentation

Financial statement presentation follows the requirements of accounting principles generally accepted in the United States of America under which the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

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

- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of such assets permit the Organization to use all or part of the income earned on the assets.

Note 1. **Significant Accounting Polices** (Continued)

Fair Value of Financial Instruments

The Organization's financial instruments consist of cash and short term trade accounts receivable and payable. The carrying value of all instruments approximates their fair value.

Restricted and unrestricted support and revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Revenues whose restrictions are met in the same year are reported as unrestricted.

Contributions of donated materials and supplies are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Receivables

Based on past experience and because all receivables are considered collectible, no provision for doubtful accounts has been made.

Property and equipment

Property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, generally five years. It is the policy of the Organization to capitalize acquisition of equipment that exceeds $500. Donations of property and equipment are recorded as support at their estimated fair value when received. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to

Note 1. **Significant Accounting Polices** (Continued)

acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Donated property and equipment are depreciated using the straight-line method over their estimated useful lives.

Advertising costs

The Organization expenses advertising costs as incurred. Advertising expense was minimal in fiscal years June 30, 2011 and 2010.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 2. **Property and Equipment**

Property and equipment consist of the following at June 30, 2011 and 2010:

	2011	2010
Office equipment and furnishings	$ 53,826	$ 53,627
Less accumulated depreciation	51,412	49,118
	$ 2,414	$ 4,509

Depreciation expense was $2,294 and $3,655 in fiscal years June 30, 2011 and 2010, respectively.

Note 3. **Contributed Services, Materials, and Facilities**

The value of contributed services, materials, and facilities included as contributions in the financial statements and the corresponding expenses for fiscal year June 30, 2011 and 2010 are as follows:

	2011	2010
Professional services provided to volunteers	$ 47,940	$ 41,100
Occupancy	13,628	13,628
Special events and meeting space	10,695	-0-
	$ 72,263	$ 54,728

Note 4. Restricted Net Assets

At June 30, 2011 and 2010, temporarily restricted net assets were as follows:

	2011	2010
Reading Buddies Program	$ 4,110	$ 4,575
IMP	1,842	-0-
Elementary Literacy	3,328	-0-
Total	$ 9,280	$ 4,575

At June 30, 2011 and 2010 there were no permanently restricted net assets.

Note 5. Line of Credit

The Organization has an unsecured line of credit with a bank. The purpose of the line of credit is to provide general working capital up to the limit of $50,000, with an annual clean-up period of 30 consecutive days prior to the maturity date of December 31, 2011. The interest rate is variable and is based on the Wall Street Journal Prime lending rate plus 2½%.

Note 6. Major Contributor

A material part of the Organization's support comes from Cambridge Public Schools, the loss of which would have a materially adverse effect on the Organization. During the years ended June 30, 2011 and 2010, Cambridge Public Schools accounted for approximately 44.2% and 46.4% of support and revenue respectively.

Note 7. Income Taxes

Cambridge School Volunteers, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Note 8. Subsequent Events

These statements have been prepared in accordance with Codification of Accounting Standards Section 855, *Subsequent Events*. The section requires the Organization to recognize the effect of events that occur after the date of the statement of financial position, June 30, 2011, but before the financial statements are available to be issued only if they provide additional evidence about a condition that existed as of June 30, 2011. In addition, the section requires disclosure consideration of significant subsequent events related to conditions that did not exist as of the date of the statement financial position, but in effect make the financial statements misleading if not disclosed to the user. In addition, Section 855 requires the Organization to disclose the date at which the financial statements were issued or were made available for issue (December 19, 2011) and how the date was determined.

Note 8. **Subsequent Events** (Continued)

The Organization has reviewed events occurring after June 30, 2011 through December 19, 2011, the date that management accepted the final draft of the financial statements and made them available to be issued. The Organization does not believe that any events requiring recognition or disclosure have occurred between the period of June 30, 2011 and the report date, December 19, 2011. The Organization has not reviewed events occurring after the report date for their potential effect on the information contained in these financial statements.