



MOODY, FAMIGLIETTI & ANDRONICO
Certified Public Accountants & Consultants

SCIENCE CLUB FOR GIRLS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010



To the Board of Directors
Science Club for Girls, Inc.
Cambridge, Massachusetts

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

We have reviewed the accompanying statements of financial position of Science Club for Girls, Inc. (the "Organization") as of June 30, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. A review consists principally of inquiries of the Organization's management and analytical procedures applied to management's financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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 reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Moody, Famiglietti & Andronico, LLP

Moody, Famiglietti & Andronico, LLP
December 16, 2011

Statements of Financial Position

Science Club for Girls, Inc.
(See Independent Accountants' Review Report)

June 30	2011	2010
Assets		
Current Assets:		
Cash and Equivalents	\$ 213,553	\$ 163,174
Pledges Receivable	31,592	51,095
Prepaid Expenses and Other Current Assets	1,050	768
Total Current Assets	246,195	215,037
Assets Whose Use is Limited (Board Designated)	60,119	-
Property and Equipment, Net of Accumulated Depreciation	513	836
Total Assets	\$ 306,827	\$ 215,873
Liabilities and Net Assets		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 4,285	\$ 2,055
Net Assets:		
Unrestricted Net Assets:		
Available for Operations	75,318	99,637
Board Designated	60,119	-
Investment in Property and Equipment	513	836
Total Unrestricted Net Assets	135,950	100,473
Temporarily Restricted Net Assets	166,592	113,345
Total Net Assets	302,542	213,818
Total Liabilities and Net Assets	\$ 306,827	\$ 215,873

The accompanying notes are an integral part of these financial statements.

Statements of Activities

Science Club for Girls, Inc.
(See Independent Accountants' Review Report)

For the Years Ended June 30	2011	2010
Changes in Unrestricted Net Assets:		
Revenue and Other Support:		
Net Assets Released from Restrictions	\$ 224,875	\$ 198,250
Contributions	57,618	46,750
Grants	49,350	1,500
Donated Goods and Services	100,195	53,368
Program Service Revenue	2,257	4,000
Interest Income	278	378
Miscellaneous Income	-	3,145
Total Unrestricted Revenue and Other Support	434,573	307,391
Expenses:		
Program Services:		
Science Clubs	198,322	163,374
Junior Mentors	46,963	60,851
Special Programs	34,491	22,121
Summer Programs	21,918	7,263
Total Program Services	301,694	253,609
Supporting Services:		
General and Administrative	62,932	56,401
Fundraising	34,470	43,364
Total Supporting Services	97,402	99,765
Total Expenses	399,096	353,374
Increase (Decrease) in Unrestricted Net Assets	35,477	(45,983)
Changes in Temporarily Restricted Net Assets:		
Temporarily Restricted Grants and Contributions	278,122	274,395
Net Assets Released from Restrictions	(224,875)	(198,250)
Increase in Temporarily Restricted Net Assets	53,247	76,145
Increase in Net Assets	88,724	30,162
Net Assets, Beginning of Year	213,818	183,656
Net Assets, End of Year	\$ 302,542	\$ 213,818

The accompanying notes are an integral part of these financial statements.

Statements of Functional Expenses

Science Club for Girls, Inc.
(See Independent Accountants' Review Report)

For the Year Ended June 30

2011

	Program Services					Supporting Services		Total
	Science Clubs	Junior Mentors	Special Programs	Summer Programs	Program Services	General and Administrative	Fundraising	
Salaries and Related Benefits	\$ 99,489	\$ 32,782	\$ 11,575	\$ 9,626	\$ 153,472	\$ 22,586	\$ 31,467	\$ 207,525
Donated Program Services	71,240	3,616	9,310	8,794	92,960	-	-	92,960
Outside Contractors	12,400	110	4,485	2,731	19,726	-	-	19,726
Supplies	10,301	176	2,675	402	13,554	-	1,703	15,257
Rent	-	-	-	-	-	12,480	-	12,480
Youth Stipends	-	8,517	330	-	8,847	-	-	8,847
Professional Fees	-	-	-	-	-	7,338	-	7,338
Travel	1,707	838	3,314	-	5,859	674	-	6,533
Donated Goods and Services	-	-	-	-	-	4,979	-	4,979
Insurance	-	-	-	-	-	3,992	-	3,992
Office Expenses	-	-	-	-	-	2,724	175	2,899
Technology	-	-	-	-	-	2,497	-	2,497
Printing and Publications	1,355	-	328	211	1,894	-	509	2,403
Donated Program Expenses	-	250	2,006	-	2,256	-	-	2,256
Telecommunications	-	-	-	-	-	1,987	-	1,987
Training	1,273	342	-	36	1,651	216	-	1,867
Payroll Processing Fees	-	-	-	-	-	1,514	-	1,514
Food	557	332	468	118	1,475	-	-	1,475
Miscellaneous	-	-	-	-	-	1,032	-	1,032
Meetings and Conferences	-	-	-	-	-	-	616	616
Recruitment	-	-	-	-	-	400	-	400
Depreciation	-	-	-	-	-	323	-	323
Licenses and Fees	-	-	-	-	-	190	-	190
Total Functional Expenses	\$ 198,322	\$ 46,963	\$ 34,491	\$ 21,918	\$ 301,694	\$ 62,932	\$ 34,470	\$ 399,096

The accompanying notes are an integral part of these financial statements.

Statements of Functional Expenses (Continued)

Science Club for Girls, Inc.
(See Independent Accountants' Review Report)

For the Year Ended June 30

2010

	Program Services					Supporting Services		Total
	Science Clubs	Junior Mentors	Special Programs	Summer Programs	Program Services	General and Administrative	Fundraising	
Salaries and Related Benefits	\$ 90,206	\$ 50,567	\$ 7,115	\$ 6,310	\$ 154,198	\$ 23,616	\$ 40,846	\$ 218,660
Donated Program Services	47,998	-	-	-	47,998	-	-	47,998
Outside Contractors	11,563	300	7,736	-	19,599	-	-	19,599
Supplies	9,263	1,305	1,149	477	12,194	-	-	12,194
Rent	-	-	-	-	-	7,500	-	7,500
Youth Stipends	148	7,298	480	300	8,226	-	-	8,226
Professional Fees	-	-	-	-	-	4,913	-	4,913
Travel	365	58	4,326	-	4,749	1,285	-	6,034
Donated Services	-	-	-	-	-	5,370	-	5,370
Insurance	-	-	-	-	-	3,141	-	3,141
Office Expenses	-	-	-	-	-	1,804	315	2,119
Technology	-	-	-	-	-	1,283	-	1,283
Printing and Publications	1,709	83	854	108	2,754	-	634	3,388
Telecommunications	-	-	-	-	-	3,373	463	3,836
Training	596	-	-	37	633	1,236	-	1,869
Payroll Processing Fees	-	-	-	-	-	1,372	-	1,372
Food	1,526	240	461	31	2,258	-	-	2,258
Miscellaneous	-	-	-	-	-	66	-	66
Meetings and Conferences	-	-	-	-	-	-	1,106	1,106
Recruitment	-	-	-	-	-	299	-	299
Depreciation	-	-	-	-	-	323	-	323
Licenses and Fees	-	-	-	-	-	700	-	700
Scholarships	-	1,000	-	-	1,000	-	-	1,000
Charitable Contributions	-	-	-	-	-	120	-	120
Total Functional Expenses	\$ 163,374	\$ 60,851	\$ 22,121	\$ 7,263	\$ 253,609	\$ 56,401	\$ 43,364	\$ 353,374

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

Science Club for Girls, Inc.
(See Independent Accountants' Review Report)

For the Years Ended June 30	2011	2010
Cash Flows from Operating Activities:		
Increase in Net Assets	\$ 88,724	\$ 30,162
Adjustments to Reconcile Increase in Net Assets to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation	323	323
Decrease (Increase) in Pledges Receivable	19,503	(35,095)
Increase in Prepaid Expenses and Other Current Assets	(282)	(768)
Increase (Decrease) in Accounts Payable and Accrued Expenses	2,230	(29,418)
Net Cash Provided by (Used in) Operating Activities	110,498	(34,796)
Cash Flows Used in Investing Activities:		
Purchase of Assets Whose Use is Limited	(60,119)	-
Net Increase (Decrease) in Cash and Equivalents	50,379	(34,796)
Cash and Equivalents, Beginning of Year	163,174	197,970
Cash and Equivalents, End of Year	\$ 213,553	\$ 163,174

The accompanying notes are an integral part of these financial statements.

1. Significant Accounting Policies:

Nature of Organization: Science Club for Girls, Inc. (the "Organization"), a nonprofit organization located in Cambridge, Massachusetts, was established in 2003 to provide after-school enrichment programs for girls in grades K through 12, which bring women scientists and girls together in science clubs that focus on scientific and mathematic technical skills and education.

Method of Accounting: The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Fair Value: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. In order to measure fair value, the Organization uses a fair value hierarchy for valuation inputs which gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The fair value hierarchy is as follows:

Level 1 - Inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that management has the ability to access.

Level 2 - Inputs utilize data points that are observable such as quoted prices, interest rates and yield curves.

Level 3 - Inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

Classification and Reporting of Net Assets: The Organization reports 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. These classifications are related to the existence or absence of donor-imposed restrictions and are as follows:

- Unrestricted net assets represent the portion of net assets of the Organization that is neither permanently restricted nor temporarily restricted

by donor-imposed stipulations. Unrestricted net assets include expendable funds available for support of the Organization, as well as funds invested in property and equipment and board designated funds.

- Temporarily restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations, or by law.
- Permanently restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. As of June 30, 2011 and 2010, the Organization does not have any permanently restricted net assets.

Cash and Equivalents: The Organization maintains deposits in money market accounts which, at times, may exceed federally insured limits. The Organization has a cash management program which provides for the investment of excess cash balances primarily in money market accounts, which are valued using Level 1 inputs. The Organization considers such highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Pledges Receivable: Pledges receivable consists of amounts due in less than one year and includes revenues that have been recognized, but not yet received and are carried at the value the Organization expects to receive, net of any allowance for uncollectible amounts. An allowance for uncollectible pledges receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution and nature of fund raising activities. As of June 30, 2011 and 2010, there is no allowance for uncollectible pledges.

Assets Whose Use is Limited: As of June 30, 2011, assets whose use is limited represents funds invested in a money market account designated by the Organization's Board of Directors for future use, which are valued using Level 1 inputs.

1. Significant Accounting Policies (Continued):

Property and Equipment: Property and equipment are recorded at cost on the date of acquisition. Depreciation is computed using the straight-line method over an estimated useful life of five years.

Revenue Recognition: Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Contributions: Contributions, including unconditional promises to give, are recognized as revenues at fair value at the date the promise is received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions received with donor-imposed restrictions that are met in the same year in which they are received are reported as revenues of the temporarily restricted net asset class. Contributions received with donor-imposed restrictions that are met subsequent to the year in which they are received are also reported as revenues of the temporarily restricted net asset class when they are recognized into revenue. A reclassification to unrestricted net assets is made to reflect the expiration of such restrictions in the year the restriction is met.

Contributions of services are reported as revenue and expenses of the unrestricted net asset class at the fair value of the service received only if the services create or enhance a nonfinancial asset or would typically need to be purchased by the Organization if they had not been provided by contribution, require specialized skills, and are provided by individuals who possess those skills. Contributions of goods and space to be used in program operations are reported as revenue and expenses of the unrestricted net asset class at the time the goods or space is received.

Income Taxes: The Organization is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal

and state income taxes on trade or business profits generated by activities related to the Organization's exempt function. The Organization may be subject to federal and state income taxes for profits generated from trade or business activities unrelated to the Organization's exempt function.

The Organization assesses the recording of uncertain tax positions by evaluating the minimum recognition threshold and measurement requirements a tax position must meet before being recognized as a benefit in the financial statements. The Organization's policy is to recognize interest and penalties accrued on any uncertain tax positions as a component of income tax expense, if any, in its statements of activities.

The Organization has not recognized any liabilities for uncertain tax positions or unrecognized benefits as of June 30, 2011 or 2010. The Organization does not expect any material change in uncertain tax benefits within the next twelve months.

The Organization is generally open to examination in the U.S. Federal and certain state jurisdictions for three years from the date of filing.

Use of Estimates: Management has used estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities in its preparation of the financial statements in accordance with GAAP. Actual results experienced by the Organization may differ from those estimates.

Subsequent Events: Management has evaluated subsequent events spanning the period from June 30, 2011 through December 16, 2011, the latter representing the issuance date of these financial statements.

2. Donated Goods and Services:

The Organization receives donated goods and services relating to administrative expenses. The estimated fair value for goods and services is determined by the donor or by management. During the year ended June 30, 2011, the Organization received donated accounting services, marketing services and office supplies in the amount of \$4,979. During the year ended June 30, 2010, the Organization received donated accounting and human resource services in the amount \$5,370.

2. Donated Goods and Services (Continued):

In addition, the Organization receives donated services relating to program services from volunteers with specific expertise. During the years ended June 30, 2011 and 2010, the Organization received donated program services from volunteers with specific expertise in the amounts of \$92,960 and \$47,998, respectively. During the year ending June 30, 2011, the Organization also received donated program supplies in the amount of \$2,256.

3. Property and Equipment:

As of June 30, 2011 and 2010, property and equipment consisted of computer equipment with a cost of \$1,617 and a net book value of \$513 and \$836, respectively. For the each of the years ended June 30, 2011 and 2010, depreciation expense amounted to \$323.

4. Temporarily Restricted Net Assets:

Temporarily restricted net assets, which include unexpended contributions, pledges receivable, and grants temporarily restricted by donors, consist of the following as of June 30, 2011 and 2010:

	2011	2010
Purpose Restricted:		
Programs:		
FY2012 CELLS Program	\$ 50,000	\$ -
Science Club and Junior Mentor Program	35,000	-
FY 2012 Vacation Week Program	20,000	-
FY 2012 Operations Evaluation	15,000	-
	7,500	15,000
FY2012 Curriculum Development	5,000	-
Summer Program	2,500	-
FY 2011 Operations	-	25,000
FY 2011 Vacation Week Program	-	18,000
Ghana Program	-	4,250
	<u>135,000</u>	<u>62,250</u>
Purpose and Time Restricted:		
Programs:		
Minding the Gaps	-	40,700
Time Restricted:		
Pledges Receivable	31,592	10,395
	<u>\$ 166,592</u>	<u>\$ 113,345</u>

5. Net Assets Released from Restrictions:

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors or passage of time. Net assets released from restriction during the years ended June 30, 2011 and 2010 were expended to satisfy the following purposes:

	2011	2010
FY 2011 Operations	\$ 85,395	\$ -
Science Clubs and Junior		
Mentor	64,600	123,050
Minding the Gaps	40,700	-
FY 2011 Vacation Week		
Program	18,430	-
Evaluation	7,500	5,000
GHANA	4,250	1,750
FY 2011 CELLS	4,000	-
FY 2010 Operations	-	15,000
FY 2010 Vacation Week		
Program	-	15,000
Summer Program	-	8,750
Science Fairs	-	4,000
Sowing the Seeds of		
Science - Phase III	-	25,700
	<u>\$ 224,875</u>	<u>\$ 198,250</u>

6. Operating Leases:

The Organization is party to an operating lease agreement for its office facility, which contains an option to renew annually and requires monthly payments in the amount of \$1,070. In August 2011, the Organization renewed the lease agreement through August 2012. For the years ended June 30, 2011 and 2010, rent expense incurred by the Organization amounted to \$12,480 and \$7,500, respectively. Future minimum payments under this lease agreement amount to \$12,740 and \$2,140 for the years ended June 30, 2012 and 2013, respectively.

7. Commitments and Contingencies:

The Organization is a party to a number of agreements entered into in the ordinary course of business which contain typical provisions which obligate the Organization to indemnify the other parties to such agreements upon the occurrence of certain events. Such indemnification obligations are usually in effect from the date of execution of the applicable agreement for a period equal to the applicable statute of limitations. The aggregate maximum potential future liability of the Organization under such indemnification provisions is uncertain. Since its inception, the Organization has not incurred any expenses as a result of such indemnification provisions. The Organization has not recorded any liability related to such indemnification provisions as of June 30, 2011 and 2010.

