

FRANKLIN PARK COALITION, INC.
Financial Statements
and
Independent Accountants' Report
March 31, 2011 with Comparative Totals for 2010



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FRANKLIN PARK COALITION, INC.

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Certified Public Accountants

To the Board of Directors of
Franklin Park Coalition, Inc.

Independent Accountants' Report

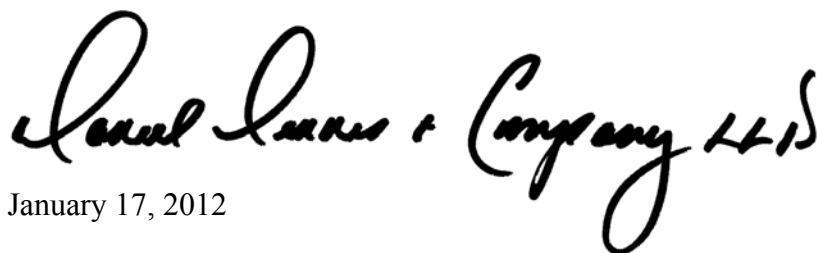
We have reviewed the accompanying statement of financial position of the Franklin Park Coalition, Inc. (the Coalition) as of March 31, 2011 and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Coalition's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion. The prior year summarized comparative information has been derived from the Coalition's 2010 financial statements and, in our report dated February 9, 2011, we stated that, except for personnel and multi-functional costs being allocated to programs and supporting services based on subjective estimates and not objective reports, we were 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.

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 review 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 review, with the exception of the matter described in the following paragraph, 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.

Personnel and multi-functional costs are allocated to programs and supporting services based on subjective estimates and not objective reports or timesheets that reflect an after-the-fact determination of employee activity. The effect of these departures from generally accepted accounting principles on the financial position and change in net assets has not been determined.



Handwritten signature of Daniel Dennis & Company LLP in black ink.

January 17, 2012

FRANKLIN PARK COALITION, INC.
Statement of Financial Position
March 31, 2011 with Comparative Totals for 2010

	2011	2010
ASSETS		
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CURRENT ASSETS		
Cash and cash equivalents	\$ 547,957	\$ 513,539
Accounts receivable	200	-
Prepaid expenses	<u>7,021</u>	<u>11,483</u>
Total current assets	<u>555,178</u>	<u>525,022</u>
FIXED ASSETS		
Furniture and equipment	8,965	8,965
Accumulated depreciation	<u>(7,410)</u>	<u>(6,183)</u>
Net fixed assets	<u>1,555</u>	<u>2,782</u>
Total assets	<u>\$ 556,733</u>	<u>\$ 527,804</u>
LIABILITIES AND NET ASSETS		
<hr/>		
CURRENT LIABILITIES		
Accounts payable	\$ 1,000	\$ 10,987
Accrued expenses	<u>5,478</u>	<u>4,637</u>
Total current liabilities	<u>6,478</u>	<u>15,624</u>
NET ASSETS		
Unrestricted	412,213	323,384
Temporarily restricted	<u>138,042</u>	<u>188,796</u>
Total net assets	<u>550,255</u>	<u>512,180</u>
Total liabilities and net assets	<u>\$ 556,733</u>	<u>\$ 527,804</u>

See accountants' report and accompanying notes to financial statements.

FRANKLIN PARK COALITION, INC.
Statement of Activities
For the Year Ended March 31, 2011 with Comparative Totals for 2010

	<i>2011</i>	<i>2010</i>
CHANGES IN UNRESTRICTED NET ASSETS		
REVENUE AND SUPPORT		
Grants and contributions	\$ 198,500	\$ 140,369
Membership dues	23,783	22,528
Interest income	269	801
Other income	1,099	3,292
Net assets released from restrictions	<u>190,754</u>	<u>230,277</u>
Total unrestricted revenue and support	<u>414,405</u>	<u>397,267</u>
EXPENSES		
Program services		
Advocacy and Outreach	24,979	16,958
Elma Lewis Playhouse in the Park	67,423	65,876
Stewardship	27,696	60,846
Youth Conservation Crew	99,469	80,414
Boston Park Advocates Coalition	<u>31,438</u>	<u>57,429</u>
Total program services	<u>251,005</u>	<u>281,523</u>
Supporting services		
Management and general	56,529	69,317
Fundraising	<u>18,042</u>	<u>20,189</u>
Total supporting services	<u>74,571</u>	<u>89,506</u>
Total expenses	<u>325,576</u>	<u>371,029</u>
Change in unrestricted net assets	<u>88,829</u>	<u>26,238</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Grants and contributions	140,000	242,600
Net assets released from restrictions	<u>(190,754)</u>	<u>(230,277)</u>
Change in temporarily restricted net assets	<u>(50,754)</u>	<u>12,323</u>
Change in net assets	38,075	38,561
Net assets, beginning of year	<u>512,180</u>	<u>473,619</u>
Net assets, end of year	<u>\$ 550,255</u>	<u>\$ 512,180</u>

See accountants' report and accompanying notes to financial statements.

FRANKLIN PARK COALITION, INC.
Statement of Functional Expenses
For the Year Ended March 31, 2011 with Summarized Comparative Totals for 2010

DESCRIPTION	PROGRAMS	MANAGEMENT AND GENERAL	FUND- RAISING	2011 TOTAL	2010 TOTAL
Personnel	\$ 131,802	\$ 13,856	\$ 14,389	\$ 160,047	\$ 151,817
Consultants and contracted services	76,942	25,005	420	102,367	133,123
Rent	780	11,130	90	12,000	20,000
Program expense	-	-	-	-	1,350
Conferences, memberships and fees	624	189	67	880	1,608
Event production	13,850	220	-	14,070	16,734
Food and beverage	3,300	372	-	3,672	5,594
Insurance	3,157	1,086	-	4,243	4,040
Printing	4,380	69	2,328	6,777	8,315
Postage	1,795	301	446	2,542	3,894
Supplies	6,804	958	-	7,762	12,160
Advertising	2,436	-	-	2,436	3,381
Telephone and communications	3,216	2,974	184	6,374	5,302
Transportation	974	14	10	998	1,765
Depreciation	943	176	108	1,227	1,726
Miscellaneous	2	179	-	181	220
Total	<u>\$ 251,005</u>	<u>\$ 56,529</u>	<u>\$ 18,042</u>	<u>\$ 325,576</u>	<u>\$ 371,029</u>

See accountants' report and accompanying notes to financial statements.

FRANKLIN PARK COALITION, INC.
Statement of Cash Flows
For the Year Ended March 31, 2011 with Comparative Totals for 2010

	<i>2011</i>	<i>2010</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 38,075	\$ 38,561
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,227	1,726
(Increase)/decrease in operating assets:		
Accounts receivable	(200)	-
Prepaid expenses	4,462	(957)
Increase/(decrease) in operating liabilities:		
Accounts payable	(9,987)	9,724
Accrued expenses	841	724
Net cash provided by operating activities	<u>34,418</u>	<u>49,778</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of computer equipment	<u>-</u>	<u>(2,516)</u>
Net cash used in investing activities	<u>-</u>	<u>(2,516)</u>
Net increase in cash and cash equivalents	34,418	47,262
Cash and cash equivalents at beginning of year	<u>513,539</u>	<u>466,277</u>
Cash and cash equivalents at end of year	<u>\$ 547,957</u>	<u>\$ 513,539</u>

See accountants' report and accompanying notes to financial statements.

FRANKLIN PARK COALITION, INC.

Notes to Financial Statements

March 31, 2011 with Comparative Totals for 2010

1. ORGANIZATION

Franklin Park Coalition (the Coalition) is a Massachusetts nonprofit corporation, incorporated in 1978, to support and enhance the Franklin Park (or the Park) through outreach and education by enlisting neighbors and users of the Park to participate in park activities and upkeep. The Coalition is also committed to use the Park as a resource to promote and encourage a better quality of life for the community and foster goodwill for the Park and its surrounding neighborhoods.

Franklin Park, created by Frederick Law Olmsted in the 1880s as the "jewel" of Boston's Emerald Necklace, is home to a 200 acre forest. It boasts an 18-hole public golf course, tennis courts, baseball fields, a premier cross country course, old stone ruins, and New England's largest Zoo.

The Coalition offers the following programs:

- *Advocacy and Outreach* – This program provides park tours, seasonal festivals, outreach to community groups, and bicycle and other fitness activities.
- *Boston Park Advocates Coalition* – A program whose aim is to build a coalition of park groups citywide for advocacy, expertise-sharing, and networking.
- *Elma Lewis Playhouse in the Park* – A summer performing arts series offering free concerts to the broader Franklin Park community.
- *Youth Conservation Crew* – Teens are hired to work during the summer and school year to do park landscape work and community activities.
- *Woodland Restoration Campaign* – Involves volunteers and youth in woodland restoration work, educates the public about the benefits of a healthy urban forest, engages the Boston Park department for the woodland, and raises money for the work that cannot be done by volunteers.
- *Stewardship* – Incorporates the different ways the Coalition works to engage the broader community in Franklin Park. Includes seasonal volunteer days, nature walks, park tours, art activities and advocacy with the City of Boston to bring needed public safety, maintenance, and program resources to the Park.

The Coalition's services are funded primarily by membership dues, foundation grants and contributions from the general public.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Coalition prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

FRANKLIN PARK COALITION, INC.
Notes to Financial Statements (Continued)
March 31, 2011 with Comparative Totals for 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET ASSETS CLASSIFICATION

Net assets of the Coalition are classified into three categories. The classifications are related to the existence or absence of donor-imposed restrictions as follows:

- *Unrestricted Net Assets* - net assets that are available for support of operations and not subject to donor-imposed stipulations.
- *Temporarily Restricted Net Assets* - assets whose use is limited by either donor-imposed time restrictions or purpose restrictions.
- *Permanently Restricted Net Assets* – assets that must be maintained in perpetuity. At March 31, 2011 and 2010, the Coalition had no permanently restricted net assets.

GRANTS AND CONTRIBUTIONS

Nonreciprocal grants and contributions are recognized when the donor makes a promise to give to the Coalition that is, in substance, unconditional. Grants and contributions that are restricted by the donor are reported as increases in temporarily or permanently support and increase the respective class of net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Coalition uses the allowance method to determine uncollectible unconditional grants and contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At March 31, 2011 and 2010, there were no outstanding promises to give.

IN-KIND DONATIONS

The Coalition receives in-kind donations in support of its operations. Donated materials, facilities and services are recorded at fair value. Donated services that (a) create or enhance a nonfinancial asset or (b) require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated are recorded as contributions in the financial statements. Donated services such as fundraising, clerical assistance or other volunteer efforts not requiring specialized skills are not recorded in the financial statements.

RECLASSIFICATIONS

Certain 2010 amounts have been reclassified to conform to the 2011 financial statement presentation. Net assets and changes in net assets are unchanged due to these reclassifications.

FRANKLIN PARK COALITION, INC.
Notes to Financial Statements (Continued)
March 31, 2011 with Comparative Totals for 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIXED ASSETS

Donations of fixed assets are recorded as support at their estimated fair value. 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 acquire fixed assets are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Coalition reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Coalition reclassifies temporarily restricted net assets to unrestricted net assets at that time. Purchased fixed assets are carried at cost. Purchases of more than \$500 are capitalized. Fixed assets are depreciated using the straight-line method. Depreciation expense for the years ended March 31, 2011 and 2010 was \$1,227 and \$1,726, respectively.

CASH EQUIVALENTS

The Coalition considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Highly liquid investments purchased with original maturities of more than three months are reported as investments.

INCOME TAXES

The Coalition is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from state income taxes under Chapter 180 of the Massachusetts General Laws. Unrelated business income, of which there was none for the years ended March 31, 2011 and 2010, would be subject to federal and state income taxes. Consequently, the accompanying financial statements do not reflect any provisions for income taxes.

The Coalition evaluates tax positions taken or expected to be taken in its tax returns to determine whether the tax positions are “more-likely-than-not” of being sustained by the applicable tax authority. Tax positions not deemed to meet the “more-likely-than-not” threshold, along with accrued interest and penalties thereon, would be recorded as an expense in the financial statements. The Coalition has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its 2011 returns and believe they are more-likely-than-not of being sustained if examined by federal or state tax authorities. The Coalition’s 2008 through 2010 tax years remain subject to examination by federal and state tax authorities.

FRANKLIN PARK COALITION, INC.
Notes to Financial Statements (Continued)
March 31, 2011 with Comparative Totals for 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUNCTIONAL ALLOCATION OF EXPENSES

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

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

SUMMARIZED COMPARATIVE INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with The Coalition's financial statements for the year ended March 31, 2010, from which the summarized information was derived.

3. LEASE COMMITMENT

The Coalition leases office space under a noncancelable operating lease which expires December 15, 2015. The lease requires annual rents of \$12,000 per annum through December 15, 2010 and \$12,600 per annum increasing by 5% per annum on each anniversary date through December 15, 2015. Rent expense was \$12,000 per year for the years ended March 31, 2011 and 2010.

The minimum lease payments over the remaining term of the lease are as follows:

<i>Fiscal Year</i>	<i>Amount</i>
2012	\$ 12,759
2013	13,401
2014	14,070
2015	14,775
2016	<u>11,493</u>
Total	<u>\$ 66,498</u>

FRANKLIN PARK COALITION, INC.
Notes to Financial Statements (Continued)
March 31, 2011 with Comparative Totals for 2010

4. INKIND DONATIONS

The Coalition receives in-kind donations in the form of free advertising, program staffing and the free use of facilities in support of its administrative and programmatic functions. No valuation was provided by the donors; therefore, the donations are not recorded in the financial statements. Management estimated the value of the in-kind donations to be approximately \$39,920 and \$41,000 for 2011 and 2010 respectively.

5. COMPENSATED ABSENCES

The Coalition's employees are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Coalition's policy is to recognize the costs of compensated absences when actually paid to employees.

6. CONCENTRATIONS OF CREDIT RISK

During 2011 and 2010 the Coalition received 57% of its total revenue and support from two donors.

7. TEMPORARILY RESTRICTED NET ASSETS

At March 31, 2011 and 2010, temporarily restricted net assets were restricted for the following:

<i>Use Restriction</i>	<i>2011</i>	<i>2010</i>
Advocacy and Outreach	\$ 12,834	\$ 33,312
Boston Park Advocates Coalition	56,034	72,472
Elma Lewis Playhouse in the Park	25,776	33,199
Stewardship	35,898	35,898
Youth Conservation Crew	-	13,915
Strategic planning	<u>7,500</u>	<u>-</u>
Total	<u>\$ 138,042</u>	<u>\$ 188,796</u>

8. UNEMPLOYMENT BENEFITS

The Coalition has elected the reimbursable method of financing unemployment benefits under the Massachusetts Unemployment Insurance Law. As a result, the Coalition does not contribute to the Massachusetts Unemployment Trust fund and is required to reimburse the Division of Unemployment Assistance for benefits paid to former employees. During 2011 and 2010 no unemployment claims were filed.

FRANKLIN PARK COALITION, INC.
Notes to Financial Statements (Continued)
March 31, 2011 with Comparative Totals for 2010

9. UNEMPLOYMENT BENEFITS (CONTINUED)

The Coalition is not presently aware of any claims and, based on historical experience, does not anticipate that potential future claims would have a material impact on its financial position.

10. FUNDING CONTINGENCY

The Coalition is currently facing a financial challenge due to the loss of significant, longtime annual grants. A strategic planning process has been initiated to help it prioritize, determine the next few years of organizational work, and make important decisions given the funding changes that have occurred.

11. SUBSEQUENT EVENTS

The Coalition has evaluated subsequent events through January 17, 2012, which is the date the financial statements were available to be issued.