

Friends of Lincoln Community School, Inc.
Financial Statements
Years Ended December 31, 2012 and 2011

Fraga & Lilja

CERTIFIED PUBLIC ACCOUNTANTS

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Accountants' Compilation Report

Board of Directors
Friends of Lincoln Community School
Lincoln, VT

We have compiled the accompanying statements of assets and net assets - cash basis of Friends of Lincoln Community School, Inc. (a nonprofit organization) as of December 31, 2012 and 2011 and the related statements of revenue, expenses, and changes in net assets - cash basis for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting 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 compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We are not independent with respect to Friends of Lincoln Community School.

Fraga & Lilja

Fraga & Lilja, CPA's, PC
August 22, 2013

License number 92-0000217
Middlebury, VT

Friends of Lincoln Community School, Inc.
Statements of Assets and Net Assets - cash basis
December 31, 2012 and 2011

	2012	2011
Assets		
Cash	\$ 61,778	\$ 55,650
Total Assets	<u>\$ 61,778</u>	<u>\$ 55,650</u>
Net Assets		
Unrestricted	\$ 60,738	\$ 55,034
Temporarily restricted	1,040	616
Total Net Assets	<u>\$ 61,778</u>	<u>\$ 55,650</u>

Friends of the Lincoln Community School
 Statements of Revenue, Expenses and Changes in Net Assets
 Cash Basis
 Years Ended December 31, 2012 and 2011

	2012	2011
Unrestricted Net Assets		
Unrestricted revenues		
Contributions - General	\$ 19,060	\$ 15,740
Grants - Unrestricted	8,000	12,500
Other revenues	5,140	105
Fundraising Event - Road Race	1,603	2,766
Total Unrestricted Revenues	33,803	31,111
Net assets released from restrictions	1,576	1,453
Total Unrestricted Revenues	35,379	32,564
Expenses		
Program Services		
Grants	27,160	25,721
Supporting Services		
Management and General	610	565
General Fundraising	966	888
Fundraising - Road Race	939	775
Total Supporting Services	2,515	2,228
Total Expenses	29,675	27,949
Increase in Net Assets	5,704	4,615
Temporarily Restricted Net Assets		
Contributions - Administration Expenses	2,000	2,000
Net assets released from restrictions	1,576	1,453
Increase in Temporarily Restricted Net Assets	424	547
Net Assets at Beginning of Year	55,650	50,488
Net Assets at End of Year	\$ 61,778	\$ 55,650

Friends of the Lincoln Community School, Inc.
Notes to Financial Statements

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Friends of the Lincoln Community School, Inc (the Organization) was formed for the purpose of providing additional funds to supplement the activities of the school through grants and funds to purchase items not available through the school's budget.

Basis of Accounting

The Organization's accounting records are maintained on the cash basis of accounting; consequently, certain revenues are recognized when received rather than earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Contributed Services

No amounts have been reflected in the financial statements for donated services.

Estimates

The preparation of financial statements require management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions

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

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code and classified as a public charity.

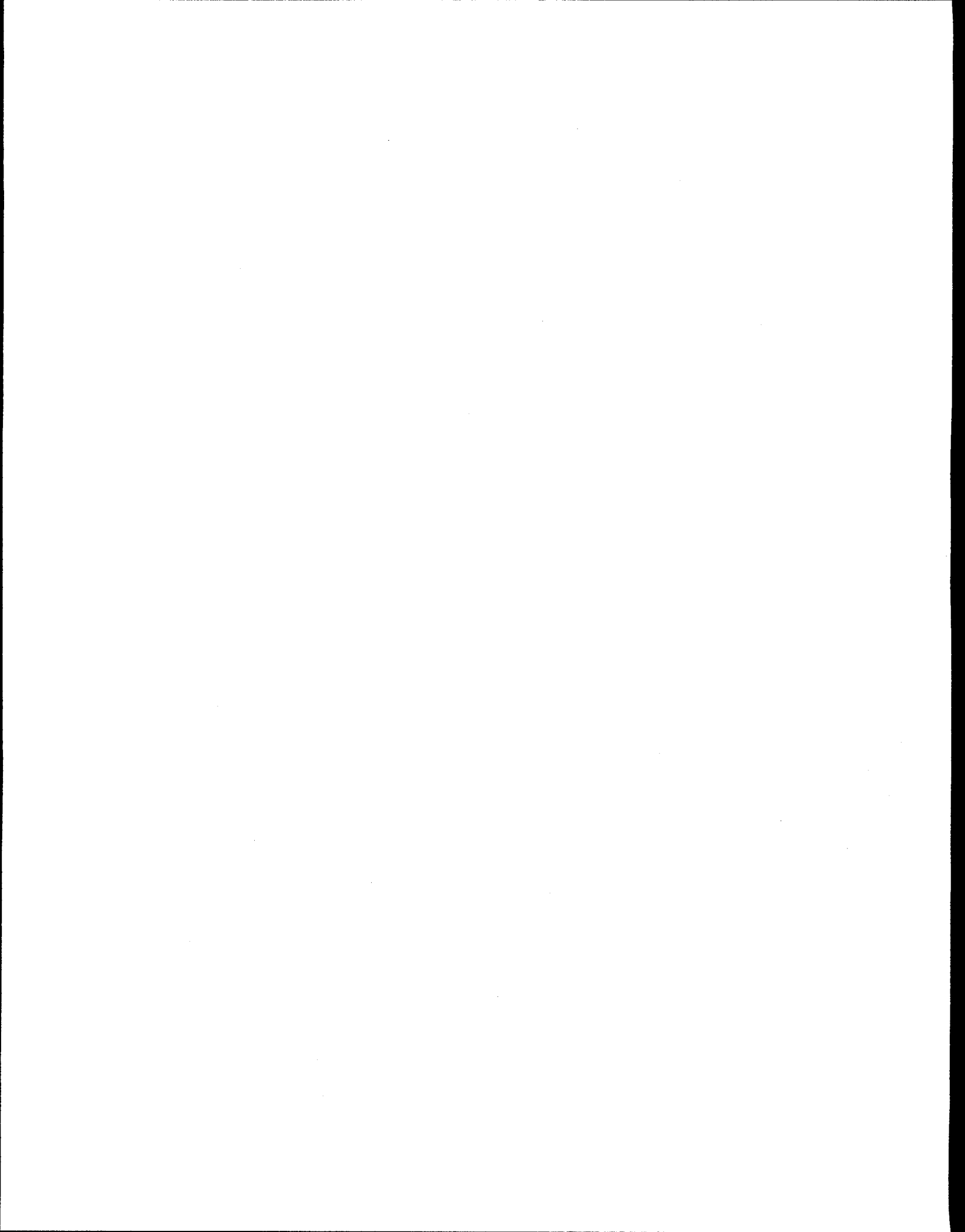
The Organization's Form 990-N (e-Postcard) for the years ending 2010, 2011 and 2012 are subject to examination by the IRS, generally for three years after they were filed.

Cash and Cash Equivalents

For purposes of the statements, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NOTE B - EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 20, 2013, the date on which the financial statements were available to be issued.



Friends of the Lincoln Community School, Inc.
Notes to Financial Statements

NOTE C – TEMPORARILY RESTRICTED FUNDS

The balance of funds restricted by donor are as follows:

	<u>2012</u>	<u>2011</u>
Contribution	\$ <u>2,000</u>	\$ <u>2,000</u>
Administration Expenses:		
General	610	565
Fund Raising	<u>966</u>	<u>888</u>
Total	<u>1,576</u>	<u>1,453</u>
Balance to unrestricted	424	547
Prior Year Balance	<u>616</u>	<u>69</u>
End of Year Balance	\$ <u>1,040</u>	\$ <u>616</u>