

Friends of Lincoln Community School, Inc.
Financial Statements
December 31, 2011 and 2010

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, 2011 and 2010 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 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
May 10, 2012
License number 92-0000217
Middlebury, VT

Friends of Lincoln Community School, Inc.
 Statements of Assets and Net Assets - cash basis
 December 31, 2011 and 2010

	2011	2010
Assets		
Cash - Administration	\$ 616	\$ 68
Cash - Donor Account	55,034	50,420
Total Assets	<u>55,650</u>	<u>50,488</u>
Net Assets		
Unrestricted	55,650	50,488
Total Net Assets	<u>\$ 55,650</u>	<u>\$ 50,488</u>

Friends of the Lincoln Community School
 Statements of Revenue, Expenses and Changes in Net Assets
 Cash Basis
 December 31, 2011 and 2010

	2011	2010
Unrestricted Net Assets		
Unrestricted revenues		
Contributions - General	\$ 15,740	\$ 25,685
Grants - Unrestricted	12,500	25,000
Other revenues	105	5
Contributions - Administrative Expenses	2,000	2,000
Fundraising Event - Road Race	2,766	0
Total Unrestricted Revenues	33,111	52,690
 Expenses		
Program Services		
Grants	25,721	270
Management and General	565	902
General Fundraising	888	1,030
Fundraising - Road Race	775	0
Total Expenses allocated to unrestricted funds	27,949	2,202
 Net Unrestricted Net Assets at beginning of year	50,488	0
Net Unrestricted Net Assets at end of year	\$ 55,650	\$ 50,488

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.

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 May 11, 2012, 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 – ADMINISTRATION CONTRIBUTIONS AND EXPENSES

Contributions for administration expenses are summarized as follows:

	<u>2011</u>	<u>2010</u>
Contribution	\$ <u>2,000</u>	\$ <u>2,000</u>
Administration Expenses:		
General	565	903
Fund Raising	<u>888</u>	<u>1,029</u>
Total	<u>1,453</u>	<u>1,932</u>
Balance to unrestricted	\$ <u>547</u>	\$ <u>68</u>