

**AUDITED**

**FINANCIAL STATEMENTS**

**OF**

**CHILDREN'S RESTORATION  
NETWORK, INC.**

June 11, 2015

**CHARTER ACCOUNTING  
AND TAX SERVICE**

Deborah I. Daniel  
Certified Public Accountant  
1020 Cambridge Square  
Suite A  
Alpharetta, Georgia 30009

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**CHARTER ACCOUNTING**  
1020 CAMBRIDGE SQUARE  
ALPHARETTA, GA 30009  
770-671-0021

**INDEPENDENT AUDITOR'S REPORT**  
June 11, 2015

Children's Restoration Network, Inc.

We have audited the accompanying statement of financial position of Children's Restoration Network, Inc. as of August 31 2014 and the related statements of activities and functional expenses and changes in cash flows for the year then ended. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Generally Accepted Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Children's Restoration Network, Inc. as of August 31, 2014 and the changes in its net assets and its cash flows for the year then ended.



Deborah I. Daniel  
Certified Public Accountant

# Children's Restoration Network

## Balance Sheet

As of August 31, 2014

### ASSETS

#### Current Assets

##### Checking/Savings

Children's Restoration Network 186,717.00

Total Checking/Savings 186,717.00

Total Current Assets 186,717.00

#### Fixed Assets

##### Auto

7,555.00

Total Fixed Assets 7,555.00

TOTAL ASSETS 194,272.00

### LIABILITIES & EQUITY

#### Liabilities

##### Current Liabilities

Accounts Payable 0.00

Total Credit Cards 0.00

Total Current Liabilities 0.00

##### Long Term Liabilities

0.00

Total Long Term Liabilities 0.00

Total Liabilities 0.00

#### Equity

Opening Balance Equity 193,105.00

Increase(Decrease) In Fund Assets 1,167.00

Total Equity 194,272.00

TOTAL LIABILITIES & EQUITY 194,272.00

Children's Restoration Network  
Statement of Activities and Functional Expenses  
September 2013 through August 2014

	Sep 13 - Aug 14
Program Support	
Donations & Grants	465,006
In Kind Contributions	2,389,116
Total Support(Note 1)	2,854,122
Functional Expense(Schedule1)	
Bank Charges	220
Equipment Rental	1,103
Depreciation Expense	-
Occupancy	94,877
Subscriptions	612
Payroll	197,190
Fundraising	60,006
Printing	7,509
Professional Services	3,000
Meetings	2,427
Other Office	1,410
Office Supplies	4,459
Computers	5,489
Total Expense	378,302
Program Expense	
Direct Program	85,537
Special Programs(Note A)	2,389,116
	2,474,653
Total Expenses(Schedule1)	2,852,955
Increase(Decrease) in Unrestricted Funds	1,167

Children's Restoration Network  
Schedule 1  
September 2013 through August 2014

	Management	Fundraising	Programs	Total
Payroll	29,579	39,438	128,173	197,190
Service Charges	111	109	0	220
Subscription & Dues	307	305	0	612
Equipment Rental	220	0	883	1,103
Insurance	0	992	992	1,984
Lisence & Permits	0	624	624	1,248
Postage	2,256	1,353	903	4,512
Printing & Reproduction	3,755	1,876	1,878	7,509
Professional Services	1,350	1,200	450	3,000
Occupancy	20,873	17,078	56,926	94,877
Office Equipment	564	492	354	1,410
Office Supplies	2,229	1,337	893	4,459
Computers & Equipment	4,391	0	1,098	5,489
Meetings	1,456	486	485	2,427
B2S	0	0	5,647	5,647
Celebrate the Children		52,392		52,392
Easter Gala			298	298
Friends Indeed			456	456
Golf Tournament		7,204		7,204
New Hope Scholarships			48,414	48,414
New Initiatives			320	320
12 Days of Caring			5,779	5,779
Thanksgiving			3,609	3,609
Financial Assistance			2,832	2,832
P101			2,630	2,630
Auto	823	410	6,985	8,218
In- Kind Special Programs(Note A)			2,389,116	2,389,116
<b>Total</b>	<b>67,914</b>	<b>125,296</b>	<b>2,659,745</b>	<b>2,852,955</b>

**Children's Restoration Network**  
**Statement of Cash Flows**  
September 2013 through August 2014

<b>OPERATING ACTIVITIES</b>	
Net Income	1,167
Adjustments to reconcile Net Income to net cash provided by operations:	
Increase(Decrease) in Liabilities	123,480
Net cash provided by Operating Activities	<u>124,647</u>
<b>INVESTING ACTIVITIES</b>	
Accumulated Depreciation	-
Net cash provided by Investing Activities	<u>-</u>
<b>FINANCING ACTIVITIES</b>	
Loan repayments	-
Net cash provided by Financing Activities	<u>-</u>
Net cash increase for period	124,647
Cash at beginning of period	<u>62,070</u>
Cash at end of period	<u><u>186,717</u></u>

**Children's Restoration Network, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended August 31, 2014**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A Property, plant and equipment- Property, plant and equipment are carried at cost. Depreciation is computed using straight-line and accelerated methods. When assets are retired or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred.
- B Revenue Recognition- Revenue is recognized on a cash basis.

**2 SPECIAL PROGRAMS**

The special programs of the organization are all done to meet the primary exempt purpose of the organization which are efforts to meet the physical needs of homeless children and their families. In addition to supporting various shelters efforts to provide food and clothing to this group, the organization also focusees on tutoring and mentoring children in grades 1-8. Multiple fundraising campaigns are help throughout the year with wide community support.



Children's Restoration Network

September 2013 through August 2014

Note A

The in Kind Contributions are the total value of the donations and volunteer effort for the following special programs:

	Volunteer Hours	Volunteer \$	Goods & Servi	Total
Easter	445	10,012	16,940	26952
Board	710	15996	0	15996
Office Help	3,948	88,948	0	88948
12 Days of Caring	4,908	110,577	313,600	424177
CTC	1,716	38,661	118,000	156661
Back 2 School	3,689	83113	411,000	494113
GAP & New Hope	186	4,185	0	4185
Thanksgiving	2,684	60,470	395,500	455970
Adopt a Shelter	5,152	115,920	170,100	286020
Digital Bridge	85	1,912	16,400	18312
Friends Indeed	463	10,417	7,318	17735
Project 1 on 1	15,048	338580	0	338580
Golf Tournament	84	1,890	4,631	6521
Career Day	2,267	51075	3,871	54946
Total	41385	931756	1,457,360	2389116