

**Family Choices NFPC
Financial Statements
December 31, 2011**

**Carl L Weakley CPA
*Edwardsville Illinois***

CLW-CPA

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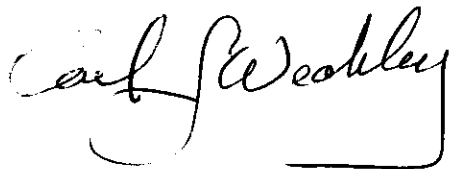
March 26, 2012

Family Choices NFPC
1513 University Drive
Charleston IL 61920

I have audited the accompanying balance sheet of Family Choices NFPC as of December 31, 2011, and the related statements of income, fund balances and cash flows for the twelve months then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family Choices NFPC as of December 31, 2011, and the results of its operations and its cash flows for the twelve months then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script, reading "Carl L Weakley". The signature is written in black ink and is positioned below the main body of text.

**Family Choices NFPC
Balance Sheet
December 31, 2011**

<u>Assets</u>	December 31, <u>2011</u>
Current assets:	
Cash	\$580
Other current assets	0
Total current assets	580
Property and Equipment:	
Equipment	0
Less accumulated depreciation	0
Total property and equipment-net	0
Other Assets:	
Other assets	0
Total other assets	0
Total assets	\$580
 <u>Liabilities and fund balances</u>	
Current Liabilities:	
Accounts payable	\$0
Accrued expenses	0
Total current liabilities	0
Long Term Debt:	
Note payable-Officer	21,810
Note payable-Bank	14,000
Total long term debt-net	35,810
Total liabilities	35,810
Fund balances:	
Unrestricted funds	(35,230)
Restricted funds	0
Total fund balances	(35,230)
Total liabilities and fund balances	\$580

The footnotes are an integral part of the financial statements.

Family Choices NFPC
Statement of Income
Twelve Months Ended December 31, 2011

	<u>2011</u>
Revenue	\$163,258
Functional expenses	<u>232,572</u>
Operating income	(69,314)
Interest expense	<u>0</u>
Net income (loss)	<u><u>(\$69,314)</u></u>

The footnotes are an integral part of the financial statements.

**Family Choices NFPC
Statement of Fund Balances
Twelve Months Ended December 31, 2011**

	<u>2011</u>
Beginning unrestricted fund balances-January 1, 2008	\$34,084
Net income (loss)	<u>(69,314)</u>
Ending unrestricted fund balances-December 31, 2008	<u><u>(\$35,230)</u></u>

**Family Choices NFPC
Statement of Cash Flows
Twelve Months Ended December 31, 2011**

	<u>2011</u>
Cash Flows From Operating Activities:	
Net income	(\$69,314)
Add back non-cash depreciation and other-net	<u>0</u>
	(69,314)
Increase (decrease) in working capital-net	<u>0</u>
Net cash provided (used) by operating activities	(69,314)
Cash Flows From Investing Activities:	
Purchase of furniture	<u>0</u>
Net cash provided (used) by investing activities	0
Cash Flow From Financing Activities:	
Long term debt incurred	27,726
Correction	0
Long term debt repayments	<u>0</u>
Net cash provided (used) by financing activities	27,726
Net increase (decrease) in cash	(41,588)
Beginning cash-January 1, 2011	<u>42,168</u>
Ending cash-December 31, 2011	<u><u>\$580</u></u>

The footnotes are an integral part of the financial statements.

Family Choices NFPC
Schedule of Functional Expenses
Twelve Months Ended December 31, 2011

	<u>2011</u>
Payroll-Officer salary	\$36,000
Payroll-Wages	140,300
Payroll-Benefits	7,176
Payroll-Taxes	13,485
Professional fees	375
Supplies	0
Telephone	0
Postage and shipping	0
Occupancy	2,097
Equipment rental and maintenance	0
Printing and publications	0
Travel	10,665
Conferences conventions and meetings	0
Depreciation	0
Accreditation	10,470
Dues and subscriptions	0
Office supplies	356
Advertising	0
Honoraria	100
Insurance	4,703
Web pages	0
Consultation	0
Licenses	15
Computer	2,015
Library rental	0
Training	0
Guardian and Litem Fees	0
Transfer to Trust Account-Net	5,500
Software	0
Registrations	0
Reimbursements	<u>(685)</u>
Total operating expenses	<u><u>\$232,572</u></u>

The footnotes are an integral part of the financial statements.

Family Choices NFPC
Notes to Financial Statements
December 31, 2011

Summary of Significant Accounting Policies

Background-The company is an Illinois not for profit corporation serving as an Illinois state licensed Child Placement Agency for both pre and post adoptive families. The company is wholly-owned by its members.

Cash Basis-Income and expenses are recognized as received and spent, ie, the cash basis of accounting. Generally accepted accounting principles require accounting on an accrual basis. The difference between the company on the cash basis and the accrual basis of accounting is not considered significant.

Property and Equipment-The company has no property and equipment subject to depreciation.

Notes Payable-The company's borrowings from a bank are on normal terms.

Income Taxes

The company is a not-for-profit corporation has no unrelated income and has no income tax liability.

Related Party Transactions

The company's borrowings from its executive director represent a no-interest advance with repayment to be long-term.