PMB Helin Donovan
CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

ANY BABY CAN CHILD AND FAMILY RESOURCE CENTER

Financial Statements
As of and for the Years Ended
August 31, 2011 and 2010 with
Supplemental Schedule for the Year Ended
August 31, 2011

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

To the Board of Directors
of Any Baby Can Child and Family Resource Center
Austin, Texas:

We have audited the accompanying statements of financial position of Any Baby Can Child and Family Resource Center (Any Baby Can-Austin) (a nonprofit organization) as of August 31, 2011 and 2010 and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of Any Baby Can-Austin's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 that our audits provide 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 Any Baby Can - Austin as of August 31, 2011 and 2010 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of functional expenses included on page 15 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, the information is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PMB HELIN DONOVAN, LLP

PMB Helin Donovan, LLP

January 31, 2012
Austin, Texas

ANY BABY CAN CHILD AND FAMILY RESOURCE CENTER

Statements of Financial Position

As of August 31, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 273,482	$ 318,293
Accounts receivable		
Grants	958,471	775,529
Pledges, net	325,486	296,488
Prepaid expenses and other	219	198
Beneficial interest in assets held by other	149,241	138,026
Property and equipment, net	1,427,526	1,480,497
Total assets	$ 3,134,425	$ 3,009,031
Liabilities and Net Assets		
Accounts payable	$ 124,596	$ 137,154
Accrued expenses	87,598	183,109
Mortgage payable	413,645	430,144
Total liabilities	625,839	750,407
Net assets		
Unrestricted:		
Operating	(218,635)	(284,275)
Property and equipment	1,427,526	1,480,497
Total Unrestricted	1,208,891	1,196,222
Temporarily restricted	1,142,391	905,098
Permanently restricted	157,304	157,304
Total net assets	2,508,586	2,258,624
Total liabilities and net assets	$ 3,134,425	$ 3,009,031

See accompanying notes and independent auditors' report.

ANY BABY CAN CHILD AND FAMILY RESOURCE CENTER
Statement of Activities
Year Ended August 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Other Support				
Donations	$ 238,015	255,346	-	$ 493,361
Foundation contributions	35,717	1,047,126	-	1,082,843
In-kind contributions	191,021	-	-	191,021
Special events, net of donor direct benefit expense of $38,058	326,179	-	-	326,179
Government grants	3,592,791	-	-	3,592,791
Medical billing	579,744	-	-	579,744
Unrealized gain	11,236	-	-	11,236
Miscellaneous income	17,959	-	-	17,959
Net assets released from restrictions	1,065,179	(1,065,179)	-	-
Total Unrestricted Revenue and Other Support	6,057,841	237,293	-	6,295,134
Expenses				
Program services	5,273,149	-	-	5,273,149
Management and general	194,058	-	-	194,058
Fundraising	577,965	-	-	577,965
Total Expenses	6,045,172	-	-	6,045,172
Change in Net Assets	12,669	237,293	-	249,962
Net assets at beginning of year	1,196,222	905,098	157,304	2,258,624
Net assets at end of year	$ 1,208,891	1,142,391	157,304	$ 2,508,586

See accompanying notes and independent auditors' report.

ANY BABY CAN CHILD AND FAMILY RESOURCE CENTER
Statement of Activities
Year Ended August 31, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Other Support				
Donations	$ 443,086	60,500	-	$ 503,586
Foundation contributions	15,223	957,677	-	972,900
In-kind contributions	193,272	-	-	193,272
Special events, net of donor direct benefit expense of $31,426	279,170	-	-	279,170
Government grants	3,157,369	-	-	3,157,369
Medical billing	467,256	-	-	467,256
Unrealized gain	4,067	-	-	4,067
Miscellaneous income	6,534	-	-	6,534
Net assets released from restrictions	1,040,671	(1,040,671)	-	-
Total Unrestricted Revenue and Other Support	5,606,648	(22,494)	-	5,584,154
Expenses				
Program services	4,766,412	-	-	4,766,412
Management and general	111,894	-	-	111,894
Fundraising	553,217	-	-	553,217
Total Expenses	5,431,523	-	-	5,431,523
Change in Net Assets	175,125	(22,494)	-	152,631
Net assets at beginning of year	1,021,097	927,592	157,304	2,105,993
Net assets at end of year	$ 1,196,222	905,098	157,304	$ 2,258,624

See accompanying notes and independent auditors' report.

ANY BABY CAN CHILD AND FAMILY RESOURCE CENTER
Statements of Cash Flows
Years Ended
August 31, 2011 and 2010

	2011	2010
Cash flows from operating activities:		
Increase in net assets	$ 249,962	$ 152,631
Adjustments to reconcile increase in net assets to net cash used in operations:		
Depreciation	78,942	76,868
Appreciation on beneficial interest in assets held by others	(11,215)	(4,067)
(Increase) decrease in operating assets:		
Grants receivable	(182,942)	(207,102)
Pledge receivable	(28,998)	(45,566)
Prepaid expenses and other	(21)	807
Increase (decrease) in operating liabilities:		
Accounts payable	(12,558)	30,176
Accrued expenses	(95,511)	52,140
Deferred revenue	-	(278,665)
Net cash used in operating activities	(2,341)	(222,778)
Cash flows from investing activities:		
Purchase of fixed assets	(25,971)	(51,480)
Net cash used in investing activities	(25,971)	(51,480)
Cash flows from financing activities:		
Principal payments on mortgage	(16,499)	(15,383)
Net cash used in financing activities	(16,499)	(15,383)
Net decrease in cash and cash equivalents	(44,811)	(289,641)
Cash and cash equivalents at beginning of year	318,293	607,934
Cash and cash equivalents at end of year	$ 273,482	$ 318,293
Supplemental Disclosures		
Interest paid	$ 29,699	$ 30,816

See accompanying notes and independent auditors' report.

(1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Any Baby Can of Austin, Inc. d/b/a Any Baby Can and Family Resource Center (the "Organization") is a Texas non-profit corporation chartered in 1993 as a comprehensive family service organization. The Organization's primary mission is to ensure that all children reach their potential through education, therapy and family support services.

The Organization founded as Any Baby Can of Austin in 1993 was at the direction of and with funding from the Texas Department of Health and focused on children with special health care needs. In 2000, this Organization merged with the Center for Development, Education, and Nutrition Family Resource Center (CEDEN), which was founded in 1979 as a resource center to promote and strengthen families in need of prenatal, early childhood and parenting education. In November 2003, the Candlelighters Childhood Cancer Foundation of the Austin Area, a grassroots, parent-driven nonprofit, which worked with children and families battling childhood cancer, became part of the Organization and in 2008, the Children's Hearing Aid Texas, an project with the purpose of providing hearing devices and auditory services to children in need was merged into the Organization.

The Organization is exempt from federal income tax under the Internal Revenue Code Section 501 (c) (3) for income related to its exempt purpose. The Organization is classified by the Internal Revenue Service as an organization other than a private Organization.

Summary of Significant Accounting Policies

(a) Basis of Presentation - The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP). For financial statement purposes, the Organization distinguishes between contributions of unrestricted assets, temporarily restricted assets, and permanently restricted assets.

(b) Net Asset Classifications - In accordance with GAAP, the Organization classifies its net assets into three categories as follows:

Permanently Restricted - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

Temporarily Restricted - Net assets the use of which is subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time. Temporarily restricted net assets include the portion of donor-restricted endowment funds that have not been appropriated for expenditure by the Organization.

Unrestricted – Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be used for any purpose or designated for specific purposes by action of the Board of Governors.

In August 2008, the Financial Accounting Standards Board (FASB) issued FASB Accounting Standards Codification (ASC) Topic 958-205 (*formerly FASB Staff Position (FSP) 117-1, Endowments of Not-For-Profit Organizations Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for all Endowment Funds*). ASC Topic 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). ASC Topic 958-205 also improved disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

The state of Texas adopted UPMIFA effective September 2007. The Organization has determined that the majority of its net assets do not meet the definition of endowments under UPMIFA. While not UPMIFA-defined endowments, the Organization intends many of its funds to be permanent and manages them accordingly. Further references to "endowment", "endowment fund", or "endowed assets" in these notes relate to those intentions of the Organization.

(c) Cash and Cash Equivalents - For purposes of the statement of cash flows, cash and cash equivalents consist of cash held in bank deposit accounts and short-term, highly liquid investments with purchased maturities of 90 days or less.

(d) Contributions - Contributions received (including unconditional promises to give) are recorded as unrestricted, temporarily restricted, or permanently restricted support in the period received depending on the existence and/or nature of any donor restrictions. Contributions received which are part of the Organization's ongoing major or central activities are recognized as revenue, while contributions which are peripheral or incidental are recognized as gains. Conditional promises to give (grants) are recognized as the conditions upon which they depend are substantially met. Promises to give are recognized as revenue only if sufficient evidence exists in the form of verifiable documentation that a promise was made and received.

The Organization reports contributions as restricted support if the support is received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Support that is not restricted by the donor is reported as an increase in unrestricted net assets in the reporting period in which the support is recognized. Donated assets are recorded at their estimated fair market values at the date of receipt.

Pledges with maturity dates due within 12 months are recorded at net realizable value, while Pledges with maturity dates in subsequent years are recorded at the present value of their net realizable value using a risk free interest rate.

(e) Allowance for Doubtful Accounts - Governmental grants included in receivables are individually analyzed for purposes of determining collectability at year end and an allowance was not deemed necessary. The Organization evaluates the collectability of its pledges and adequacy of its allowance for doubtful accounts on a periodic basis. The evaluation includes historical loss experience, length of time the Pledges are past due and adverse situations that may affect the donor's ability to honor its Pledge. The Organization records and adjusts its allowance for bad debt balance as necessary.

(f) Contributed Services and Assets - During the years ended August 31, 2011 and 2010, the value of contributed services meeting the requirements for recognition in the financial statements was not material and no amounts have been recorded. Although individuals volunteer their time and perform a variety of tasks that assist the organization, these services do not meet the criteria for recognition as contributed services.

Contributed assets are recorded at their estimated fair value on the date of donation. The Organization received in-kind contributions of baby furniture, clothing, supplies and toys for the years ended August 31, 2011 and 2010 of $191,021 and $193,272, respectively.

The Organization reports contributions of land, buildings, and equipment as unrestricted, unless explicit donor stipulations specify how the donated assets must be used. Gifts of assets with explicit restrictions that specify how the assets are to be used are accounted for as restricted support. The Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(g) Property and Equipment - Property and equipment purchased for or exceeding $1,000 is recorded at cost. Property and equipment are depreciated using the straight-line method over the useful lives of the assets as follows: buildings and improvements 5 - 37 years; furniture and equipment 3 -5 years; and vehicles 3 - 5 years.

(h) Investments - Investments in equity securities with readily determinable fair values are based on quoted market values while the time deposits are estimated at fair value by summing the principal investment plus accrued interest. Investment income and unrealized gains and losses are reported as increases in unrestricted net assets unless the donor placed restrictions on the income's use. The change in fair value between years is reflected in the statement of activities in the year of the change as depreciation or appreciation in investments.

(i) Income Taxes - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Unrelated business income, of which the Organization had no significant amounts for the years ended August 31, 2011 and 2010, is subject to federal income taxes. Accordingly, there is no provision or liability for federal income taxes in the accompanying financial statements.

The Organization recognizes the tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the taxing authorities, based on the technical merits of the positions. The tax benefits recognized in the consolidated financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

(j) Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount 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 expenses during the reporting period. Actual results could differ from those estimated.

(k) Functional Expenses - The expense information contained in the statements of activities and functional expenses is presented on a functional basis. Accordingly, certain expenses are allocated between functional categories based on management's estimates.

(l) Concentration of Credit Risk - Financial instruments which potentially subject the Organization to concentrations of credit risk consists principally of cash and cash equivalents, investments and pledges receivable. There were no cash and cash equivalents held by one institution that exceeded the maximum federal deposit insurance corporation limits at August 31, 2011 and 2010, respectively. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the statements of financial position. For pledges receivable, the Organization performs ongoing credit evaluations of the donor's financial condition.

(m) Subsequent Events - The Organization evaluates events that occur subsequent to the statement of financial position date of periodic reports, but before financial statements are issued for periods ending on such dates, for possible adjustment to such financial statements or other disclosure. This evaluation generally occurs through the date at which the Organization's financial statements are issued. For the financial statements as of and for the year ending August 31, 2011, this date was January 31, 2012.

(2) PLEDGES RECEIVABLE

Pledges are stated at their realizable value net of a discount on long-term Pledges and an allowance for uncollectible pledges. Interest rates of 0.33% and 0.72% were used to discount the long-term pledges to their present value at August 31, 2011 and 2010, respectively. At August 31, 2011 and 2010 the discount on pledges was $1,744 and $2,367, respectively, and the allowance for uncollectible Pledges totaled $35,651 and $32,249, respectively. Approximately $158,000 of the pledge receivable balance at August 31, 2011 is receivable within one year with the remaining amount due within four years.

(3) BENEFICIAL INTEREST IN ASSETS HELD AT A COMMUNITY FOUNDATION

During 2009, the Organization transferred endowment funds totaling $157,304 to the Austin Community Foundation ("ACF") to take advantage of ACF's investment expertise and to allow these funds to gain synergies with other funds held by ACF. ACF does not hold variance power over these endowed funds; therefore the Organization can request distribution at any point in time. The Organization has classified these funds as permanently restricted. As discussed in Note 9 income earned that exceeds 8% of the value of the funds is available for expenditure by the Organization.

(4) PROPERTY AND EQUIPMENT

Property and equipments as of August 31, 2011 and 2010 included:

	2011	2010
Buildings and improvements	$ 1,566,949	$ 1,566,949
Land	233,198	233,198
Furniture and equipment	369,112	369,112
Vehicles	64,162	111,635
	2,233,421	2,280,894
Accumulated depreciation	(805,895)	(800,397)
Total property and equipment	$ 1,427,526	$ 1,480,497

Depreciation expense was $78,942 and $76,868 for the years ended August 31, 2011 and 2010, respectively.

(5) LONG-TERM DEBT

On September 29, 2005, Any Baby Can of Austin, Inc. entered into a mortgage agreement with a financial institution in the principal amount of $495,200 that is collateralized by the building and land of the Organization maturing on October 1, 2020 with a fixed interest rate of 6.93%. Monthly payments are $3,850 beginning October 1, 2005, with a final balloon payment of approximately $198,147 due upon maturity.

Future minimum principal payments on long-term debt as of August 31, 2011 are as follows:

2012	$ 18,150
2013	19,449
2014	20,840
2015	22,331
2016 and thereafter	332,875
Total	$ 413,645

(6) LINE OF CREDIT

On September 22, 2005, Any Baby Can of Austin, Inc. obtained a line of credit agreement with a financial institution with a $200,000 limit that matures on September 22, 2025 and bears interests at a variable interest rate, based upon the prime rate. As of August 31, 2011 and 2010, there was no outstanding balance on the line of credit.

(7) TEMPORARILY RESTRICTED NET ASSETS

The part of the net assets of a not-for-profit organization resulting from contributions whose use by the Organization is limited by donor-imposed restrictions that either expire by passage of time or the purpose of which is fulfilled are considered temporarily restricted net assets.

Temporarily restricted net assets consisted of the following at August 31, 2011 and 2010:

	2011	2010
Program use restrictions	$ 507,333	$ 398,862
Time restrictions	635,058	506,236
Total temporarily restricted net assets	$ 1,142,391	$ 905,098

Net assets released from temporary restrictions due to the satisfaction of requirements consisted of the following at August 31, 2011 and 2010:

	2011	2010
Program use restrictions	$ 686,073	$ 609,886
Time restrictions	379,106	430,785
Total net assets released from restrictions due to satisfaction of requirements	$ 1,065,179	$ 1,040,671

(8) PERMANENTLY RESTRICTED NET ASSETS

The part of the net assets of a not-for-profit organization resulting from contributions whose use by the Organization is limited by donor-imposed restrictions that are not expected to expire are considered permanently restricted net assets. An example of a permanently restricted net asset would be the donation of funds (or other assets) to the Organization in which the donor imposed a restriction that the funds not be expended, but that the Organization would be permitted to use or expend part or all of the income (or other economic benefit) derived from the donation.

At August 31, 2011 and 2010, the Organization had permanently restricted net assets restricted to:

	2011	2010
Investment in perpetuity, the income from which is expendable	$ 157,304	$ 157,304

(9) ENDOWMENTS

The Organization has interpreted Texas UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by Texas UPMIFA.

In accordance with Texas UPMIFA, the Organization considers the following factors in making a determination on the amount, if any, to be available for distribution from each endowment fund:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization.

The Organization's endowment consists of one fund established for the benefit of children in the Austin community and includes donor-restricted funds. Net assets associated with this endowment are classified and reported based on the existence or absence of donor-imposed restrictions. This endowment requires the original endowment of $157,304 to remain in perpetuity with any income from the investment which exceeds 8% of the value of the endowment to be available for expenditure by the Organization. As discussed in Note 3 during 2009 the Organization transferred these endowed funds to ACF.

As of August 31, 2011, endowment net asset composition by type of fund was as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor designated endowment funds:	$ (8,063)	$ -	$ 157,304	$ 149,241
Total	$ (8,063)	$ -	$ 157,304	$ 149,241

As of August 31, 2010, endowment net asset composition by type of fund was as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor designated endowment funds:	$ (19,278)	$ -	$ 157,304	$ 138,026
Total	$ (19,278)	$ -	$ 157,304	$ 138,026

The summary of changes in endowment assets for the year ended August 31, 2011 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets as of August 31, 2010	$ (19,278)	$ -	$ 157,304	$ 138,026
Contributions	-	-	-	-
Investment earnings, net	11,215	-	-	11,215
Endowment assets as of August 31, 2011	$ (8,063)	$ -	$ 157,304	$ 149,241

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or Board of Directors requires the Organization to retain as a fund of perpetual duration. The Organization has an endowment fund with a deficient of $8,063 and $19,278 as of August 31, 2011 and 2010, respectively.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that produce a yield that preserves the endowment's purchasing power by meeting the Organization's Spending Policy, expenses and inflation over a long time horizon, while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating for distribution each year approximately eight percent of its endowment fund's market value above the original gift as determine on the valuation date of January 31 and will be distributed monthly based on the donor's instructions. Any return on investment in excess of the distribution amount is to be added back to the original gift and is recorded as an increase in permanently restricted net assets.

(10) RETIREMENT PLAN

The Organization has a defined contribution pension plan that was established on January 1, 2004 for the benefit of its employees. The plan was established under Internal Revenue Code Section 401(k). An employee must work at least 1,000 hours per year and have a minimum of one year of service to be eligible for employer contributions and six months of service to be eligible for employee contributions. All contributions made and any earnings thereon are 100% vested at all times. No employer contributions were made to the plan for 2011 and 2010.

(11) COMMITMENTS AND CONTINGENICES

Leases

The Organization has various equipment leases. Lease expense was approximately $33,000 and 32,000 for the years ended August 31, 2011 and 2010, respectively.

Minimum future rentals for the equipment leases as of August 31, 2011 are as follows:

Year Ending August 31,		
2012	$	29,303
2013		28,812
2014		28,812
2015		19,208
Total	$	106,135

Contracts with Grantors:

The Organization is funded by contracts that are subject to review and audit by grantor agencies. These contracts have certain compliance requirements and if audits by the grantor agencies disclose any areas of substantial noncompliance, the Organization may be required to refund any disallowed costs. Management believes the Organization has complied with applicable requirements.

(12) CONCENTRATIONS

During the years ended August 31, 2011 and August 31, 2010, the Organization received 57% of total revenue from contracts funded through federal, state and local governments. It is reasonably possible that at some time these contracts could cease, or funding could be reduced, which would have a severe impact on the Organization. However, the Organization does not expect these contracts will be lost in the near future. The Organization also relies on private contributions to provide matches towards grants and also to provide supplemental funds for programs and other expenses not funded by federal awards.

(13) SPECIAL EVENTS

Special events revenue for the years ended August 31, 2011 and 2010 consisted of the following:

	2011	2010
Harvest Classic	$ 53,164	$ 52,817
Bailey Tennis Tournament	18,066	16,842
Rockin Round Up	158,232	136,307
Season for Caring	48,354	33,871
3M Half Marathon	31,842	32,711
Other	16,521	6,622
Total	$ 326,179	$ 279,170

ANY BABY CAN CHILD AND FAMILY RESOURCE CENTER

Supplemental Schedule - Statement of Functional Expenses
For the Year Ended August 31, 2011
(with comparative information for 2010)

	Program Services	Management and General	Fundraising	Total 2011	2010
Salaries	$ 3,657,903	114,858	337,335	$ 4,110,096	$ 3,566,052
Employee benefits	347,544	13,926	32,767	394,237	330,010
Payroll taxes	260,816	7,838	24,627	293,281	292,389
Total salaries and fringe benefit	4,266,263	136,622	394,729	4,797,614	4,188,451
Communication	48,600	3,159	8,291	60,050	59,033
Staff professional development	31,861	5,318	1,866	39,045	42,948
Travel	147,935	2,765	787	151,487	142,069
Professional fees and contracts	101,917	4,196	22,297	128,410	94,616
Office and program supplies	47,395	5,998	5,796	59,189	73,370
Printing and duplication	13,369	1,298	20,849	35,516	56,154
Subscriptions and dues	78	250	223	551	1,548
Equipment rental and maintenance	29,128	719	3,039	32,886	32,514
Equipment and technology purchases	20,750	7,811	3,313	31,874	13,879
Occupancy	121,809	9,735	13,382	144,926	149,584
Client assistance	162,354	-	-	162,354	162,802
Fundraising expense	-	-	65,626	65,626	20,001
Business expense	25,723	12,743	27,215	65,681	124,414
Depreciation expense	64,946	3,444	10,552	78,942	76,868
In-kind expense	191,021	-	-	191,021	193,272
Total other expenses	1,006,886	57,436	183,236	1,247,558	1,243,072
Total expenses	$ 5,273,149	194,058	577,965	$ 6,045,172	$ 5,431,523

See accompanying notes and independent auditors' report.