

**BRANFORD COMMUNITY  
FOUNDATION, INC.**

*Financial Statements*  
December 31, 2007 and 2006

**KIRCALDIE, RANDALL & MCNAB LLC**  
CERTIFIED PUBLIC ACCOUNTANTS  
NORTH HAVEN, CONNECTICUT 06473

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Branford Community Foundation, Inc.  
Branford, Connecticut

We have audited the accompanying statement of financial position of the

**BRANFORD COMMUNITY FOUNDATION, INC.**  
*(a Nonprofit Organization)*

as of December 31, 2007 and 2006, and the related statement of activity and changes in net assets, and statement of cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 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 Branford Community Foundation, Inc., as of December 31, 2007 and 2006, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Kircaldie Randall & McNab LLC*

North Haven, Connecticut  
May 8, 2008

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2007 AND 2006**

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	<u>2007</u>	<u>2006</u>
<b>ASSETS:</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 84,064	\$ 32,791
Accrued interest income	<u>2,247</u>	<u>2,394</u>
Total current assets	<u>\$ 86,311</u>	<u>\$ 35,185</u>
<b>LONG-TERM ASSETS:</b>		
Investments	<u>\$ 1,105,234</u>	<u>\$ 925,193</u>
Total assets	<u>\$ 1,191,545</u>	<u>\$ 960,378</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Grants payable	<u>\$ 0</u>	<u>\$ 0</u>
<b>NET ASSETS:</b>		
Temporarily restricted	\$ 22,608	\$ 26,472
Permanently restricted for High School Scholarships	175,245	149,165
Unrestricted:		
Unappropriated	771,510	607,055
Appropriated – by Board for scholarships	<u>222,182</u>	<u>177,686</u>
Total net assets	<u>\$ 1,191,545</u>	<u>\$ 960,378</u>
Total liabilities and net assets	<u>\$ 1,191,545</u>	<u>\$ 960,378</u>

KIRCALDIE, RANDALL & MGNAB LLC

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2007 AND 2006**

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	<u>2007</u>	<u>2006</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT:</b>		
Contributions received	\$ 201,479	\$ 21,819
Contributions passed through Branford High School	23,121	
Grants:		
Graustein Memorial Fund	10,000	11,000
Income on long-term investments	24,295	19,004
Net gain on long-term investments	<u>36,877</u>	<u>84,723</u>
Total revenues, gains, and other support	<u>\$ 295,772</u>	<u>\$ 136,546</u>
<b>EXPENSES:</b>		
Charitable giving:		
Grants	\$ 28,600	\$ 23,537
Scholarships	15,729	12,850
Graustein Program expenses	<u>13,864</u>	<u>11,097</u>
Total giving	<u>\$ 58,193</u>	<u>\$ 47,484</u>
Administrative:		
Professional fees	2,869	2,451
Postage	691	962
Dues	300	283
Printing	2,203	3,310
Web site expenses	150	979
Administrative	61	1,013
Fidelity bond	<u>138</u>	<u>138</u>
Total administrative expenses	<u>\$ 6,412</u>	<u>\$ 9,136</u>
Total expenses	<u>\$ 64,605</u>	<u>\$ 56,620</u>
Change in net assets	\$ 231,167	\$ 79,926
Net assets at beginning of year	<u>960,378</u>	<u>880,452</u>
Net assets at end of year	<u>\$ 1,191,545</u>	<u>\$ 960,378</u>

KIRCALDIE, RANDALL & MCNAB LLC

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2007 AND 2006**

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	<u>2007</u>	<u>2006</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ 231,167	\$ 79,926
(Gain) or loss on sale of investments	(51,782)	(37,368)
Adjustment to reconcile change in net assets to net cash used by operating activities:		
(Increase) decrease in accrued interest income	147	(511)
Net unrealized (gain) or loss	<u>14,905</u>	<u>(47,355)</u>
Net cash provided (used) by operating activities	<u>\$ 194,437</u>	<u>\$ (5,308)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Proceeds from sale of investments	\$ 95,000	\$ 83,500
Purchase of investments	<u>(238,164)</u>	<u>(103,430)</u>
Net cash provided (used) by investing activities	<u>\$ (143,164)</u>	<u>\$ (19,930)</u>
Net increase (decrease) in cash	\$ 51,273	\$ (25,238)
Cash at beginning of year	<u>32,791</u>	<u>58,029</u>
Cash at end of year	<u>\$ 84,064</u>	<u>\$ 32,791</u>

KIRCALDIE, RANDALL & MCNAB LLC

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES:**

**Description of entity:** The Branford Community Foundation, Inc., was established in 1980 to benefit all residents of the Branford community in charitable, educational and scientific endeavors.

**Basis of accounting:** The foundation prepares its financial statements on the accrual basis of accounting whereby income is recorded when earned, rather than received, and expense recorded when incurred rather than when paid.

**Unrestricted net assets:** All net assets are classified as unrestricted as there were not donor restrictions placed on gifts when made. Assets designated by the board of directors are classified as unrestricted as the board may alter its own restriction.

**Temporarily restricted assets:** These are funds which are given with the stipulation that the funds be used for a specific purpose which has not yet been completed. Upon completion the restriction is lifted. The balance in this account consists of money given by the Graustein Memorial Fund and is expected to be used during the 2007 year.

**Permanently restricted assets:** These represent funds, generally endowment type funds, which are designated for use of “income only” with principal use prohibited.

**Income taxes:** The Branford Community Foundation, Inc., is exempt from Federal Income Taxes under §501(c)(3) of the Internal Revenue Code, therefore, no provision is made for taxes.

**Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosures 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 these estimates.

**Reclassifications:** Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year statements.

**NOTE 2 – INVESTMENTS:**

The foundation reflects investments at market value in its financial statements where unrealized gains and losses are aggregated with realized gains and losses on the statement of activity. Realized and unrealized losses are as follows:

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2 (CONTINUED):**

	<b><u>2007</u></b>	<b><u>2006</u></b>
Realized net gains	\$ 51,782	\$ 37,368
Unrealized net gains (losses)	<u>(14,905)</u>	<u>47,355</u>
	<b><u>\$ 36,877</u></b>	<b><u>\$ 84,723</u></b>

The cost vs. market value of the investments categories is as follows:

	<b>2007</b>	
	<b><u>Book Value</u></b>	<b><u>Market Value</u></b>
U.S. Government Securities	\$ 360,000	\$ 360,873
Certificate of Deposit	15,000	14,933
Equity Securities	25,000	25,650
Mutual Funds	<u>568,907</u>	<u>703,778</u>
	<b><u>\$ 968,907</u></b>	<b><u>\$1,105,234</u></b>

	<b>2006</b>	
	<b><u>Book Value</u></b>	<b><u>Market Value</u></b>
U.S. Government Securities	\$ 249,945	\$ 244,897
Equity securities	15,000	14,889
Mutual Funds	<u>509,178</u>	<u>665,407</u>
	<b><u>\$ 774,123</u></b>	<b><u>\$ 925,193</u></b>

KIRCALDIE, RANDALL & MGNAB LLC

**NOTE 3 – CONTRIBUTIONS:**

During the year the foundation received donations of \$201,479 as detailed below

<b><u>Amount</u></b>	<b><u>Fund</u></b>	<b><u>Designation</u></b>
\$ 151,387	General	Various, unnamed
100	Redden	Various, unnamed
350	Clark	Various, unnamed
100	Sliney	Various, unnamed
175	Austin Ryer	Various, unnamed
2,507	Etzel	Various, unnamed
23,050	Edsall	Various, unnamed
1,000	Giordano	Various, unnamed
740	Moss	Various, unnamed
10,100	Winward	Various, unnamed
700	Andriole	Various, unnamed
1,100	Welch	Various, unnamed
2,245	Grigley	Various, unnamed
5,600	Ferguson	Various, unnamed
1,030	Ferriolo	Various, unnamed

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3 (CONTINUED):**

100	Owens	Various, unnamed
40	Lyons	Various, unnamed
250	Martin	Various, unnamed
805	Rosenthal	Various, unnamed
<u>100</u>	Taylor	Various, unnamed
<u>\$ 201,479</u>		

**NOTE 4 – FUNDS:**

At year end the Foundation has the following funds:

	<u>2007</u>
<b><u>Unrestricted:</u></b>	
General Fund	\$ 401,830
Mobeck Family Fund	12,489
Andriole Family Fund	29,292
Harry and Abby Johnson Fund	5,854
Darin G. Etzel Fund	110,235
H Allen Carroll Fund	17,121
William & Barbara Lyons Fund	136,968
John & Carol Moss Fund	9,267
A. Peter and Fae Delfini Memorial Fund	11,034
Clark Family Fund	7,661
Eleanor Taylor Fund	6,317
Donald & Mary Lou Welch	7,385
Donald W. Grigley Memorial Fund	<u>16,057</u>
	<u>\$ 771,510</u>
<b><u>Scholarship Funds</u></b>	
John B. Sliney Fund	\$ 11,083
Austin Ryer Fund	10,310
Mari–Ellen Reed Fund	15,621
PJ Ferriolo Memorial Fund	27,592
Vincent S. Giordano, Sr. Construction Ind. Mem. Sch.	31,990
Selectmen’s Awards Fund	3,340
Ellen McDonnell Ferguson	50,898
Carol D. Redden Scholarship Fund	28,557
Kendra Martin Scholarship Fund	250
Linda Edsall Winward Scholarship Fund	21,570
Linda Edsall & Walter Winward Fund	9,855
D. William Owens, Jr. and Robert M. Owens Scholarship	<u>11,116</u>
Total scholarship funds	<u>\$ 222,182</u>
Total Funds	<u>\$ 993,692</u>
<b>Branford High School Scholarships</b>	<u><u>\$ 175,245</u></u>

KIRCALDIE, RANDALL & MGNAB LLC

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 5 – GRANTS AND SCHOLARSHIPS:**

The following organizations benefitted from the Foundation’s work during the year:

		<u>Purpose</u>
St Raphael Foundation	\$ 1,000	Cancer Center Equipment
Walsh Intermediate School	250	Drama Department
Branford Food Council	5,000	General
Women and Family Life Center	1,800	General
Camp Hazen YMCA	500	Camp Scholarships
First Congregational Church	1,000	Equador
Orchard House	1,000	Chairlift Van
Harbor Health	600	Diversity Program
Branford Community Youth Monitor Program	1,000	General
Shoreline Arts Alliance	2,000	Showcase
Branford High School	250	Drama Department
Soundview Family YMCA	10,000	Capital Pledge
Branford Recreation Department	<u>4,200</u>	Stingrays Timing System
	<u>\$ 28,600</u>	
Scholarships, Branford High School and others	<u>\$ 15,729</u>	

KIRCALDIE, RANDALL & McNAB LLC

**NOTE 6 – COMMITMENTS:**

The following amounts have been computed toward multi-year pledges, projects for which certain conditions have not yet been met or projects which have not been complete.

Smoke detectors	\$ 1,000	
Soundview Family YMCA	15,000	2008, 2009, 2010 pledges
Robert Gill Scholarships	5,000	5 year pledge