

**BRANFORD COMMUNITY  
FOUNDATION, INC.**

*Financial Statements*  
December 31, 2008 and 2007

**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, 2008 and 2007, 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, 2008 and 2007, 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  
September 27, 2009

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2008 AND 2007**

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	<u>2008</u>	<u>2007</u>
<b>ASSETS:</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 236,631	\$ 84,064
Accrued interest income	1,956	2,247
Total current assets	<u>\$ 238,587</u>	<u>\$ 86,311</u>
<b>LONG-TERM ASSETS:</b>		
Investments	\$ 645,142	\$ 1,105,234
Total assets	<u>\$ 883,729</u>	<u>\$ 1,191,545</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Grants payable	<u>\$ 0</u>	<u>\$ 0</u>
<b>NET ASSETS:</b>		
Temporarily restricted	\$	\$ 22,608
Permanently restricted for High School Scholarships	152,800	175,245
Unrestricted:		
Unappropriated	541,283	771,510
Appropriated – by Board for scholarships	<u>189,646</u>	<u>222,182</u>
Total net assets	<u>\$ 883,729</u>	<u>\$ 1,191,545</u>
Total liabilities and net assets	<u>\$ 883,729</u>	<u>\$ 1,191,545</u>

KIRCALDIE, RANDALL & MGNAB LLC

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2008 AND 2007**

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	<u>2008</u>	<u>2007</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT:</b>		
Contributions received	\$ 29,617	\$ 201,479
Contributions passed through Branford High School		23,121
Grants:		
Graustein Memorial Fund		10,000
Income on long-term investments	29,871	24,295
Net gain on long-term investments	<u>(305,164)</u>	<u>36,877</u>
Total revenues, gains, and other support	<u>\$ (245,674)</u>	<u>\$ 295,772</u>
<b>EXPENSES:</b>		
Charitable giving:		
Grants	\$ 15,600	\$ 28,600
Scholarships	15,565	15,729
Graustein Program expenses	<u>22,608</u>	<u>13,864</u>
Total giving	<u>\$ 53,773</u>	<u>\$ 58,193</u>
Administrative:		
Professional fees	3,013	2,869
Postage	816	691
Dues		300
Printing	1,082	2,203
Web site expenses	2,450	150
Administrative	870	61
Fidelity bond	<u>138</u>	<u>138</u>
Total administrative expenses	<u>\$ 8,369</u>	<u>\$ 6,412</u>
Total expenses	<u>\$ 62,142</u>	<u>\$ 64,605</u>
Change in net assets	\$ (307,816)	\$ 231,167
Net assets at beginning of year	<u>1,191,545</u>	<u>960,378</u>
Net assets at end of year	<u>\$ 883,729</u>	<u>\$ 1,191,545</u>

KIRCALDIE, RANDALL & McNAB LLC

**BRANFORD COMMUNITY FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2008 AND 2007**

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	<u>2008</u>	<u>2007</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ (307,816)	\$ 231,167
(Gain) or loss on sale of investments	(9,436)	(51,782)
Adjustment to reconcile change in net assets to net cash used by operating activities:		
(Increase) decrease in accrued interest income	291	147
Net unrealized (gain) or loss	<u>314,598</u>	<u>14,905</u>
Net cash provided (used) by operating activities	<u>\$ (1,363)</u>	<u>\$ 194,437</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Proceeds from sale of investments	\$ 396,670	\$ 95,000
Purchase of investments	<u>(242,740)</u>	<u>(238,164)</u>
Net cash provided (used) by investing activities	<u>\$ 153,930</u>	<u>\$(143,164)</u>
Net increase (decrease) in cash	\$ 152,567	\$ 51,273
Cash at beginning of year	<u>84,064</u>	<u>32,791</u>
Cash at end of year	<u>\$ 236,631</u>	<u>\$ 84,064</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 2008 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):**

	<u>2008</u>	<u>2007</u>
Realized net gains	\$ 9,436	\$ 51,782
Unrealized net gains (losses)	<u>(314,598)</u>	<u>(14,905)</u>
	<u><u>\$ (305,164)</u></u>	<u><u>\$ 36,877</u></u>

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

	<b>2008</b>	
	<u>Book Value</u>	<u>Market Value</u>
U.S. Government Securities	\$ 169,966	\$ 171,091
Corporate Bonds	40,227	39,101
Equity Securities	25,000	19,400
Mutual Funds	<u>588,220</u>	<u>415,550</u>
	<u><u>\$ 823,413</u></u>	<u><u>\$ 645,142</u></u>

	<b>2007</b>	
	<u>Book Value</u>	<u>Market Value</u>
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>
	<u><u>\$ 968,907</u></u>	<u><u>\$ 1,105,234</u></u>

KIRCALDIE, RANDALL & MGNAB LLC

**NOTE 3 – FUNDS:**

At year end the Foundation has the following funds:

	<b><u>2008</u></b>
<b><u>Unrestricted:</u></b>	
General Fund	\$ 284,571
Mobeck Family Fund	8,596
Andriole Family Fund	20,161
Harry and Abby Johnson Fund	4,029
Darin G. Etzel Fund	76,218
H Allen Carroll Fund	11,784
William & Barbara Lyons Fund	94,339
John & Carol Moss Fund	6,378
A. Peter and Fae Delfini Memorial Fund	7,663
Clark Family Fund	5,341
Eleanor Taylor Fund	4,486
Donald & Mary Lou Welch	5,530
Donald W. Grigley Memorial Fund	<u>12,187</u>
	<u><u>\$ 541,283</u></u>

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

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**NOTE 3 (CONTINUED):**

**Scholarship Funds**

John B. Sliney Fund	\$ 8,589
Austin Ryer Fund	8,016
Mari–Ellen Reed Fund	13,379
PJ Ferriolo Memorial Fund	23,193
Vincent S. Giordano, Sr. Construction Ind. Mem. Sch.	27,158
Robert Dow Scholarship Fund	9,456
Ellen McDonnell Ferguson	40,839
Carol D. Redden Scholarship Fund	23,535
Kendra Martin Scholarship Fund	300
Linda Edsall Winward Scholarship Fund	18,754
Linda Edsall & Walter Winward Fund	7,598
D. William Owens, Jr. and Robert M. Owens Scholarship	<u>8,829</u>
Total scholarship funds	<u>\$ 189,646</u>
Total Funds	<u>\$ 730,929</u>

**Branford High School Scholarships** \$ 152,800

**NOTE 4– GRANTS AND SCHOLARSHIPS:**

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

		<u>Purpose</u>
Community Dining Room	\$ 2,000	General
Walsh Intermediate School	600	Drama Department
Branford Food Council	1,500	General
Branford Counseling Center	2,000	General
Camp Hazen YMCA	500	Camp Scholarships
Connecticut Radio Information System	2,000	General
Orchard House	1,000	General
VNA Community Health Care	2,000	General
Shoreline Arts Alliance	2,000	General
Short Beach Union Church	<u>2,000</u>	Capital Campaign
	<u>\$ 15,600</u>	
Scholarships, Branford High School and others	<u>\$ 15,565</u>	

KIRCALDIE, RANDALL & MGNAB LLC

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

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**NOTE 5– 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