

**PS 3 'TIL 6, INC.**

**FINANCIAL STATEMENTS  
AND  
ADDITIONAL INFORMATION**

**JUNE 30, 2009 (Audited) AND  
JUNE 30, 2008 (Unaudited)**

**PS 3 'TIL 6, INC.**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
PS 3 'til 6, Inc.

We have audited the accompanying statement of financial position of PS 3 'til 6, Inc. (a not-for-profit corporation) as of June 30, 2009, and the related statements of activities and cash flows for the year 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 PS 3 'til 6, Inc. as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The June 30, 2008 financial statements were reviewed by us, and our report thereon, dated March 2, 2009, stated we were not aware of any material modifications that should be made to those statements for then to be in conformity with generally accepted accounting principles. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements taken as a whole.

*Lutz + Carr, LLP*

New York, New York  
April 23, 2010

## PS 3 'TIL 6, INC.

## STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2009 AND 2008

	<u>2009</u> <u>(Audited)</u>	<u>2008</u> <u>(Unaudited)</u>
<b>Assets</b>		
Cash and cash equivalents (Note 1b)	\$ 46,878	\$ 92,358
Accounts receivable	6,557	9,660
Prepaid expenses	774	285
Equipment, at cost, net of accumulated depreciation (Notes 1c and 2)	<u>1,187</u>	<u>-</u>
<b>Total Assets</b>	<u><u>\$ 55,396</u></u>	<u><u>\$ 102,303</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 10,178	\$ 57,264
Net Assets		
Unrestricted	<u>45,218</u>	<u>45,039</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 55,396</u></u>	<u><u>\$ 102,303</u></u>

See notes to financial statements.

## PS 3 'TIL 6, INC.

## STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2009 AND 2008

	<u>2009</u> <u>(Audited)</u>	<u>2008</u> <u>(Unaudited)</u>
<b>Changes in Unrestricted Net Assets</b>		
Revenue and Other Support		
Contributions	\$ 2,160	\$ 4,000
Donated occupancy (Note 1a)	40,000	40,000
Tuition fees	231,935	217,744
Other program fees	20,844	12,233
Interest income	712	3,460
Reimbursed income	2,219	7,471
Miscellaneous income	4,044	661
	<u>301,914</u>	<u>285,569</u>
Expenses		
Program Services	228,019	190,434
Management and general	73,716	90,181
	<u>301,735</u>	<u>280,615</u>
Increase in net assets	179	4,954
Net assets, beginning of year	45,039	40,085
	<u>\$ 45,218</u>	<u>\$ 45,039</u>
<b>Net Assets, End of Year</b>		

See notes to financial statements.

## PS 3 'TIL 6, INC.

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2009 AND 2008

	<u>2009</u> <u>(Audited)</u>	<u>2008</u> <u>(Unaudited)</u>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 179	\$ 4,954
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities:		
Depreciation	192	-
(Increase) decrease in:		
Accounts receivable	3,103	(7,876)
Prepaid expenses	(489)	(177)
Increase (decrease) in accounts payable and accrued expenses	<u>(47,086)</u>	<u>37,147</u>
Net Cash Provided (Used) By Operating Activities	<u>(44,101)</u>	<u>34,048</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of equipment	<u>(1,379)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(45,480)	34,048
Cash and cash equivalents, beginning of year	<u>92,358</u>	<u>58,310</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 46,878</u></u>	<u><u>\$ 92,358</u></u>

See notes to financial statements.

**PS 3 'TIL 6, INC.****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2009 (Audited) AND JUNE 30, 2008 (Unaudited)****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

PS 3'til 6, Inc. is an after school program that provides a variety of arts and recreational activities to children in grades K-5 after the school day, every day of the school year, including half-days. PS 3'til 6, Inc. is managed by a group of unpaid parent volunteers drawn from the PS 3 community who serve on the Board of Directors. The Board is responsible for setting program policies, fiscal oversight, choosing partnership organizations and hiring program administrator(s). The Board oversees a salaried Executive Director and an hourly Administrative Assistant. PS 3'til 6, Inc. deliberately keeps its tuition rates as low as possible while providing discounts of 30% to families that qualify for Reduced/Free Lunch. The program is 100% tuition-funded.

During the year ended June 30, 2009, PS 3 'til 6, Inc. received donated facilities and related occupancy expenses with an estimated value of \$40,000.

**b - Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all short-term highly liquid investments, such as money market funds, to be cash equivalents.

**c - Equipment**

Equipment is recorded at cost and is being depreciated using the straight-line method over the estimated useful life of the asset.

**d - Financial Statement Presentation**

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

**e - Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**f - Subsequent Events**

The Organization has evaluated subsequent events through April 23, 2010, the date that the financial statements are considered available to be issued.

## PS 3 'TIL 6, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009 (Audited) AND JUNE 30, 2008 (Unaudited)

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**g - Tax Status

The Organization has been determined to be a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

**Note 2 - Equipment**

Equipment at June 30, 2009 consists of the following:

	<u>Life</u>	<u>Amount</u>
Computer equipment	3 years	\$1,379
Less: Accumulated depreciation		<u>(192)</u>
Total		<u>\$1,187</u>

Depreciation expense for the year ended June 30, 2009 was \$192.

**Note 3 - Functional Allocation of Expenses**

The cost of providing the various program and the supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and the supporting services benefited.

## **ADDITIONAL INFORMATION**



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**INDEPENDENT AUDITORS' REPORT ON  
ADDITIONAL INFORMATION**

To the Board of Directors of  
PS 3 'til 6, Inc.

Our report on our audit of the basic financial statements of PS 3 'til 6, Inc. for 2009 appears on page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Functional Expenses for the year ended June 30, 2009 (audited) with comparative totals for 2008 (unaudited) 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 examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The June 30, 2008 financial statements were reviewed by us, and our report thereon, dated March 2, 2009, stated we were not aware of any material modifications that should be made to those statements for them to be in conformity with generally accepted accounting principles. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements taken as a whole.

*Lutz + Carr, LLP*

New York, New York  
April 23, 2010

## PS 3 'TIL 6, INC.

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2009 WITH COMPARATIVE TOTALS FOR 2008

	<u>Program Services</u>	<u>Management and General</u>	<u>2009 Total (Audited)</u>	<u>2008 Total (Unaudited)</u>
Salaries and personnel expenses	\$ 18,518	\$ 39,758	\$ 58,276	\$ 58,630
Payroll taxes and fringe benefits	946	6,667	7,613	6,038
Program contract fee	159,967	-	159,967	133,491
Program supplies and expenses	6,215	-	6,215	9,194
Occupancy - donated	40,000	-	40,000	40,000
Office expenses	818	8,432	9,250	9,935
Insurance	-	964	964	-
Depreciation expense	-	192	192	-
Travel and meals	14	1,400	1,414	1,636
Professional fees	-	10,210	10,210	14,204
Processing fees	1,541	5,628	7,169	6,930
Bank charges	-	465	465	557
	<u>\$228,019</u>	<u>\$ 73,716</u>	<u>\$301,735</u>	
Total Expenses, 2009				
	<u>\$190,434</u>	<u>\$ 90,181</u>		<u>\$ 280,615</u>
Total Expenses, 2008				

See independent auditors' report on additional information.