



# ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

1 NORTH MAIN ST., SUITE 4  
MILPITAS, CA 95035  
PH: (408) 263-3311  
FX: (408) 263-3724  
INFO@NEEKACORPORATION.COM

## Independent Auditors' Report

To the Board of Directors  
Help Them Grow, Inc.  
Santa Clara, California

We have audited the accompanying statement of financial position of Help Them Grow, Inc., a New Jersey Nonprofit Corporation, as of December 31, 2010 and 2009, and the related statements of activities and changes in net assets and 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 Help Them Grow, Inc. at December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles generally accepted in the United States of America.

*Neeka Corp, CPAs*

Neeka Accountancy Corporation  
Certified Public Accountants and Management Consultants  
Milpitas, California

April 30, 2011

**HELP THEM GROW, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2010 AND 2009**

<u>ASSETS</u>		<u>DECEMBER</u> <u>31, 2010</u>	<u>DECEMBER</u> <u>31, 2009</u>
<b><u>Current Assets</u></b>			
Cash and cash equivalents	Note 2	\$ 330,763	\$ 279,331
Investments	Note 3	607,490	561,495
Receivables		12,860	4,133
Total current assets		951,113	844,959
<b>Property and equipment, net</b>		1,347	390
Total Assets		\$ 952,460	\$ 845,349
<b><u>LIABILITIES AND NET ASSETS</u></b>			
<b><u>Current Liabilities</u></b>			
Accounts payable and other current liabilities		\$ 12,581	\$ 9,795
Total Current Liabilities		12,581	9,795
<b>Net Assets</b>			
Unrestricted general funds		939,879	835,554
Total Net Assets		939,879	835,554
Total Liabilities and Net Assets		\$ 952,460	\$ 845,349

See independent auditors' report and accompanying notes to the financial statements

**HELP THEM GROW, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009**

	<u>2010</u>			<u>2009</u>
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL FUNDS</u>	<u>TOTAL FUNDS</u>
<b><u>REVENUES</u></b>				
Program income	\$ 805,482	\$ -	\$ 805,482	\$ 733,214
Dividend and interest income	619	-	619	372
Unrealized gain (loss) on investments	46,144	-	46,144	63,772
TOTAL REVENUES	<u>\$ 852,245</u>	<u>\$ -</u>	<u>\$ 852,245</u>	<u>\$ 797,358</u>
<b><u>EXPENSES</u></b>				
Program services	\$ 666,832	\$ -	\$ 666,832	\$ 607,166
Management and general	53,017	-	53,017	41,344
Fundraising	28,181	-	28,181	27,155
TOTAL EXPENSES	<u>748,030</u>	<u>-</u>	<u>748,030</u>	<u>675,665</u>
Excess (deficit) of revenue over expenses	104,215	-	104,215	121,693
Net Assets, beginning of the year	835,554	-	835,554	713,824
Prior year adjustment	110	-	110	37
Net Assets, end of the year	<u>\$ 939,879</u>	<u>\$ -</u>	<u>\$ 939,879</u>	<u>\$ 835,554</u>

See independent auditors' report and accompanying notes to the financial statements

**HELP THEM GROW, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>December 31, 2010 TOTAL FUNDS</u>	<u>December 31, 2009 TOTAL FUNDS</u>
<b><u>Cash Flow from operating activities</u></b>				
Excess (deficit) of revenue over expenses	\$ 104,215	\$ -	\$ 104,215	\$ 121,693
Adjustments to reconcile change in Net Assets to net cash provided by operating activities:				
Depreciation expense	381	-	381	294
Increase (decrease) in payables	2,786	-	2,786	(12,672)
(Increase) decrease in receivables	(8,727)	-	(8,727)	284
Prior Period Adjustment	110	-	110	37
Net Cash used by operating activities	<u>\$ 98,765</u>	<u>\$ -</u>	<u>\$ 98,765</u>	<u>\$ 109,636</u>
<b><u>Cash Flow from investing activities</u></b>				
Purchase of property and equipment	(1,338)	-	(1,338)	-
Net change in investments	(45,995)	-	(45,995)	(63,623)
Net cash used by Investing activities	<u>\$ (47,333)</u>	<u>\$ -</u>	<u>\$ (47,333)</u>	<u>\$ (63,623)</u>
Net increase (decrease) in cash and cash equivalents	51,432	-	51,432	46,013
Cash and cash equivalents at beginning of year	<u>279,331</u>	<u>-</u>	<u>279,331</u>	<u>233,318</u>
Cash and cash equivalents at end of year	<u>\$ 330,763</u>	<u>\$ -</u>	<u>\$ 330,763</u>	<u>\$ 279,331</u>

See independent auditors' report and accompanying notes to the financial statements

**HELP THEM GROW, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009**

	2010			2009	
	Program Services	Support Services		Total	Total
		Management & General	Fundraising		
Administrative services	\$ 29,001	\$ 29,001	\$ -	\$ 58,002	\$ 51,156
Bank charges	1,480	-	-	1,480	1,981
Booth expenses		-	642	642	649
Capacity building	3,519	-	-	3,519	5,533
Child relief program	470,632	-	-	470,632	431,454
Depreciation	-	381	-	381	294
Event expenses	128,868	-	-	128,868	120,561
Funds to local projects	19,925	-	-	19,925	11,771
Insurance	-	1,538	-	1,538	1,538
Internet and echo service Fee	-	1,288	1,721	3,009	3,847
Legal and professional fees	-	8,854	-	8,854	2,131
Mailing	-	1,616	-	1,616	3,484
Marketing & promotional	-	-	21,982	21,982	14,591
Meeting expenses	-	3,876	-	3,876	2,102
Miscellaneous	-	295	399	694	1,495
Outside services	-	149	-	149	-
Program software	-	-	331	331	2,328
Project and program support	13,407	-	-	13,407	10,809
Rent	-	2,185	-	2,185	2,008
Service charges	-	279	3,106	3,385	4,121
State registration fee	-	2,295	-	2,295	2,325
Stationery & printing	-	483	-	483	778
Telephone	-	777	-	777	709
<b>TOTAL EXPENSES</b>	<b>\$ 666,832</b>	<b>\$ 53,017</b>	<b>\$ 28,181</b>	<b>\$ 748,030</b>	<b>\$ 675,665</b>

See independent auditors' report and accompanying notes to the financial statements

**HELP THEM GROW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**Note 1. Organization and Summary of Significant Accounting Policies**

This summary of significant accounting policies of Help Them Grow, Inc. (a New Jersey non-profit corporation) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting principles conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

A. The Organization

Help Them Grow, Inc. ("the Organization"), was incorporated in 1991 under the laws of the State of New Jersey to help propagate its vision to ensure that every underprivileged child attains his or her right to education, health, and opportunity.

In 2002, the Organization changed its name to Help Them Grow, Inc., and formally ended its affiliation with the India based charitable organization, Cry India. Help Them Grow Inc. also ceased to use the Cry brand name.

B. Basis of Presentation

The organization prepares its financial statements using the accrual basis method of accounting in accordance with Financial Accounting Standards Board (FASB) Statement 116, Accounting for Contributions Received and Made, and Statement 117, Financial Statements of Not-For-Profit Organizations.

C. Classes of Net Assets

In accordance with FASB Statement 117, where applicable, the financial statements report amounts separated by class of net assets:

- Unrestricted amounts are those currently available at the discretion of the Board for use in the Organization's programs.
- Board-designated amounts are unrestricted net assets that are presently designated by the Board to a specific purpose. These amounts can be returned to an unrestricted status by action of the same Board.
- Temporarily restricted amounts are those, which are restricted by donors for specific operating purposes or for the acquisition of land, buildings and equipment.
- Permanently restricted net assets are those amounts in which the donor has stipulated that the principal remains intact in perpetuity. Income from the principal is considered unrestricted unless further restricted by the donor.
- As of December 31, 2010 all of the net assets of the Organization were unrestricted.

**HELP THEM GROW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**Note 1. Organization and Summary of Significant Accounting Policies – continued**

Revenue and Expenses

Support is recognized when cash is received or ownership of donated assets is transferred to the Organization. Revenue is recognized when earned.

Temporarily restricted contributions are recognized as contribution income in the Statement of Activities when cash or ownership of donated assets is transferred to the Organization. These contributions are subsequently transferred to the unrestricted fund to cover expenses that have been incurred in satisfaction of those restrictions.

As of December 31, 2010 all of the Organization's contributions were unrestricted.

D. Fund Income Allocations- Unrestricted and Temporarily Restricted

All gains and losses arising from the sale, collection or other disposition of investments and fixed assets are accounted for in the fund that owned such assets, according to restrictions placed on the original gift. Ordinary income derived from investments, receivables, and the like, is accounted for in the unrestricted fund.

E. Functional Allocation of Expenses

FASB Statement 117 requires all not-for-profit organizations to classify expenses so that the functional use of resources is shown in the financial statements. Functional classification allocates expenses according to the purpose for which the costs are incurred. Examples of functional classifications are program services (expenses directly related to the purpose for which the organization exists) and supporting activities (those indirectly related to the purposes for which the organization exists but necessary for its operations, i.e., general administrative and fund raising).

In order to comply with FASB requirements, the Organization estimates the costs of providing the various programs and supporting activities of the organization on a functional basis.

F. Cash and cash equivalents

Cash and cash equivalents includes all monies in banks and highly liquid investments with original maturity dates of less than three months.

G. Investments

Investments consist of donated securities and are carried on the books at market value. Donated securities are recorded at the fair market value at the date of gift. All unrealized gains and losses are recorded as income for the year as required by FASB Statement 124.

**HELP THEM GROW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**Note 1. Organization and Summary of Significant Accounting Policies – continued**

H. Property and Equipment

The Organization has not received any donation of land, buildings or equipment during 2010 and in any prior year. The net book values of Property and Equipment at December 31, 2010 are as follows:

	<u>Beginning Balance</u>	<u>Addition</u>	<u>Depreciation</u>	<u>Ending Balance</u>
Property and equipment	\$ 390	\$ 1,338	\$381	\$1,347

Depreciation is computed using the straight-line method over a 5 - 7 year period.

I. Non-Cash Contributions and Use of Volunteers

Volunteers have contributed significant amounts of time to the activities of the Organization. The financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria of FASB Statement 116.

Donated goods and services for capital projects are recorded at their fair market value at the date of gift or service.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

K. Tax Exempt Status

Help Them Grow Inc. is exempt from Federal income taxes under Internal Revenue Code §501(c) (3). Furthermore, the Organization is not classified as a private foundation. The Organization moved its corporate domicile from New Jersey to California in October 2003.

**Note 2. Cash**

As of December 31, 2010, cash funds were held on deposit at several financial institutions. None of these cash balances was restricted. The Federal Deposit Insurance Corporation (FDIC) insures cash balances up to \$250,000 in the event of financial institution's failure. FDIC insurance does not however, cover other financial products that the financial institutions may offer such as stocks, bonds, mutual fund shares, life insurance policies, annuities and (or) municipal securities. Cash balance in financial institution exceeded the insured limit by \$44,779 as of December 31, 2010.



**HELP THEM GROW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2010 AND 2009**

**Note 3. Investments**

Investments consist of cash equivalents and marketable securities at national financial institutions.

	<u>2010</u>	<u>2009</u>
Cash equivalents	\$ 116,923	\$ 22,685
Marketable securities	\$ 490,567	\$ 538,810
	<u>\$ 607,490</u>	<u>\$ 561,495</u>

Cash equivalents are insured by FDIC limit up to \$250,000. None of the cash equivalents exceeded the FDIC limit as of December 31, 2010.

The Securities Investor Protection Corporation (SIPC) insures investment balances up to \$500,000 per customer in the event of financial institution failure. None of the investments in securities exceeded the SIPC insured limit as of December 31, 2010.

**Note 4. Fair Value of Financial Instruments**

Cash equivalents and accounts receivable are carried at cost as this approximates fair value due to their short term nature. The fair value of liabilities and debt are carried at cost as this approximates fair value due to their short term nature.

**Note 5. Net Assets**

Cash set aside by the Board of Directors for a specific purpose are considered designated funds. Designated funds are expended prior to the use of general operating funds. The Organization had not designated any funds for specific uses as of December 31, 2010.

**Note 6. Concentrations**

The Organization's donor base is maintained through various fundraising activities held at 15 autonomously operated action centers staffed by volunteers throughout the United States.

**Note 7. Related Party Transactions**

During 2010, there were no related party transactions.