



TREASURER COMMENTARY

Despite the lingering effects of the recession, ForKids continues to meet the challenge of the growing need for its services throughout the community as evidenced by another significant increase in the overall agency budget in FY 11. Once again ForKids balanced its budget on a current-year basis and raised additional revenues restricted for use in future years. FY 11 saw an expected erosion in government funding and a large increase in community contributions, with the community now providing more than 50% of total Support & Revenue for the first time in ForKids' 24-year history. As Treasurer, I am again pleased to report that ForKids received its 20th consecutive audit with an unqualified opinion and no findings, conducted by Cherry, Bekaert & Holland. The agency has grown far more complicated over the years but has maintained its commitment to efficiency, transparency and financial responsibility.

Looking ahead, FY 12 will show slower growth and a focus on long-term sustainability without losing sight of the immediate needs of the families we serve. Good Mojo, the ForKids thrift store, opened in August 2011. It is open to the public, while providing critical household goods to current and ex-participants in ForKids' programs. FY 12 will also show the beginning of ForKids' larger scale affordable housing initiative, with

ForKids serving as a landlord for 10 affordable apartment units in the Ocean View section of Norfolk. Subsequent to the close of the fiscal year, ForKids launched its long-term endowment with a \$1 million gift to be housed at the Hampton Roads Community Foundation supporting ForKids in perpetuity. These two initiatives will provide important, sustainable funding streams into the future, but they will not replace the need for your annual operating support.

On behalf of the Board, thank you for your support of ForKids' vital work. Emotionally, I am moved by the positive impact that ForKids has on the lives of families in our community. Professionally, I am convinced that ForKids continues to be a good steward of your support and is doing the most good with the funds with which we have been entrusted. I ask for your continued support as we strive to break the cycle of homelessness and poverty for families and children in our community.

A handwritten signature in black ink that reads "Charles T. Saunders, CPA". The signature is written in a cursive style.

Charles T. Saunders, CPA
Treasurer



STATEMENT OF ACTIVITIES & NET ASSETS

YEAR ENDED JUNE 30, 2011

SUPPORT & REVENUE

Federal Agencies	\$1,098,346
Government Grants	\$283,261
Contributions & Fundraising (net of expenses)	\$1,862,573
Donated Services	\$5,470
Contributed Property	\$134,618
United Way	\$127,837
Rent & Program Fees	\$64,665
Other Income	\$638
TOTAL SUPPORT & REVENUE	\$3,577,408

FUNCTIONAL EXPENSES

Program Expenses	\$3,001,893
Management & General	\$241,952
Fundraising	\$284,390
Total Functional Expenses	\$3,528,235
CHANGE IN NET ASSETS	\$49,173

Net Assets *beginning of year* \$4,185,846

Net Assets *end of year* \$4,235,019

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2011

ASSETS

Total Current Assets	\$1,171,342
Property & Equipment	\$3,456,992
Net Investments	\$45,793
TOTAL ASSETS	\$4,674,127

LIABILITIES

Current Liabilities	\$173,108
Long-term Liabilities (net of current portion)	\$266,000
TOTAL LIABILITIES	\$439,108

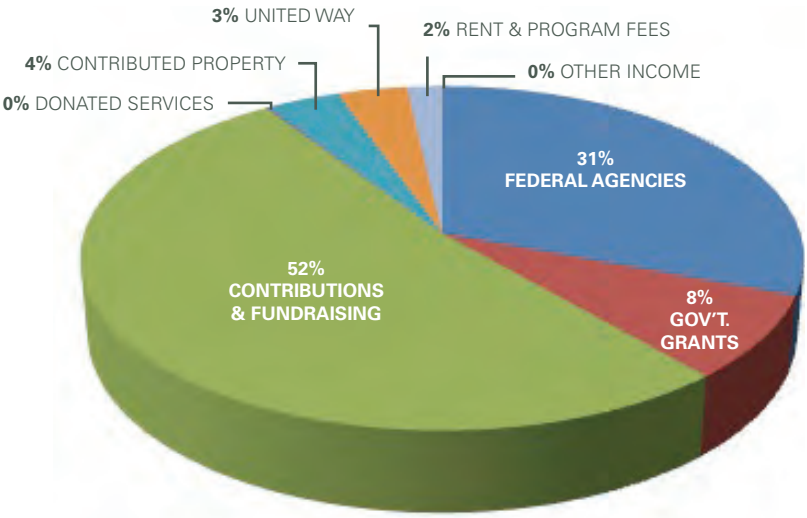
NET ASSETS

Unrestricted	\$3,954,532
Restricted	\$280,487
Net Assets	\$4,235,019
TOTAL LIABILITIES & NET ASSETS	\$4,674,127

USE OF FUNDS

Management & General (inc fundraising)	\$526,342
Transitional Housing	\$646,564
Supportive Housing	\$402,378
Thrift	\$14,536
Emergency Shelters	\$974,986
Prevention	\$963,429
TOTAL	\$3,528,235

SOURCES OF FUNDING



USE OF FUNDS

