

REVISION INTERNATIONAL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

TOGETHER WITH

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

REVISION INTERNATIONAL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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October 25, 2012

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Revision International
Denver, Colorado

We have reviewed the accompanying statement of financial position of **Revision International** (a Colorado nonprofit corporation) as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. It is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion. Information for the year ended December 31, 2010 is presented for informational purposes and was extracted from the financial statements presented by net asset class for that year on which a review report with no material modifications dated September 19, 2011 was issued.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the financial statements for the year ended December 31, 2011, in order for them to be in conformity with generally accepted accounting principles.

Taylor, Roth and Company PLLC
TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

REVISION INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 12,342	\$ 10,668
Grants and accounts receivable	31,770	11,243
Prepaid expenses	8,964	1,594
Net furniture and equipment (Note 3)	12,740	1,358
Inventory	2,870	-
Other assets	-	7,672
Total assets	<u>\$ 68,686</u>	<u>\$ 32,535</u>
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 29,192	\$ 2,090
Payroll liabilities	8,367	3,754
Line of credit (Note 4)	17,500	-
Deferred revenue	-	350
Total liabilities	<u>\$ 55,059</u>	<u>\$ 6,194</u>
Net assets		
Unrestricted		
Operating	<u>13,627</u>	<u>26,341</u>
Total net assets	<u>13,627</u>	<u>26,341</u>
Total liabilities and net assets	<u>\$ 68,686</u>	<u>\$ 32,535</u>

See accompanying notes and independent accountants' review report

REVISION INTERNATIONAL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
<u>Revenue and other support</u>				
Government grants	\$ 116,026	\$ -	\$ 116,026	\$ -
Foundations and contributions	20,191	58,850	79,041	11,455
Program income	23,341	-	23,341	39,262
Individuals	17,000	-	17,000	21,960
Corporations	8,120	-	8,120	2,854
Tee-shirt sales	594	-	594	-
Net special events	(847)	-	(847)	13,638
In-kind contributions (Note 5)	35,619	-	35,619	18,918
Net assets released from restrictions (Note 6)	58,850	(58,850)		
Total revenue and other support	278,894	-	278,894	108,087
<u>Expense</u>				
Program services	240,374	-	240,374	67,655
Supporting services				
Management and general	24,859	-	24,859	9,258
Fund-raising	26,375	-	26,375	10,799
Total expense	291,608	-	291,608	87,712
Change in net assets	(12,714)	-	(12,714)	20,375
Net assets, beginning of year	26,341	-	26,341	5,966
Net assets, end of year	\$ 13,627	\$ -	\$ 13,627	\$ 26,341

See accompanying notes and independent accountants' review report

REVISION INTERNATIONAL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	2011				2010
	Supporting Services				
	Program Services	Manage- ment and General	Fundraising	Total	Total
Salaries	\$ 59,673	\$ 9,677	\$ 11,289	\$ 80,639	\$ 29,537
Payroll taxes and benefits	4,593	745	869	6,207	2,141
Contract community promotores	66,393	-	-	66,393	5,034
Professional services	27,610	4,477	5,224	37,311	9,941
Office supplies	20,053	3,252	3,793	27,098	10,782
Program - Site work	12,007	-	-	12,007	-
Office rent	7,721	1,252	1,461	10,434	2,423
Program services	9,645	-	-	9,645	5,424
Transportation	5,679	921	1,074	7,674	3,029
Plants and seed material	6,500	-	-	6,500	10,604
Community outreach	3,448	-	-	3,448	-
Insurance	2,080	337	394	2,811	1,583
Staff development	2,005	325	379	2,709	-
Telephone	1,803	292	342	2,437	1,823
COGS - teeshirts	2,381	-	-	2,381	-
Office equipment	1,663	270	314	2,247	400
Bad debt expense	-	2,244	-	2,244	-
Repair and maintenance	1,539	250	291	2,080	526
Printing	1,187	192	225	1,604	2,073
Bank fees	579	94	110	783	658
Lodging	206	33	39	278	591
Taxes and licenses	144	23	28	195	312
Postage	27	4	6	37	185
All other	2,376	385	450	3,211	527
	239,312	24,773	26,288	290,373	87,593
Depreciation	1,062	86	87	1,235	119
Total expenses	\$ 240,374	\$ 24,859	\$ 26,375	\$ 291,608	\$ 87,712

See accompanying notes and independent accountants' review report

REVISION INTERNATIONAL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	<u>2011</u>	<u>2010</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ (12,714)	\$ 20,375
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	1,235	119
Change in donated inventory	(2,870)	-
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in accounts and grants receivable	(20,527)	(7,816)
(Increase)decrease in prepaid expenses	(7,370)	(1,521)
(Increase)decrease in other assets	7,672	(5,709)
Increase(decrease) in accounts payable	27,102	(1,115)
Increase(decrease) in payroll liabilities	4,613	1,493
Increase(decrease) in deferred revenue	(350)	350
Net cash provided(used) by operating activities	<u>(3,209)</u>	<u>6,176</u>
<u>Cash flows from investing activities</u>		
Additions to fixed assets	<u>(12,617)</u>	<u>(1,477)</u>
Net cash provided(used) by investing activities	<u>(12,617)</u>	<u>(1,477)</u>
<u>Cash flows from financing activities</u>		
Borrowing on line of credit	<u>17,500</u>	<u>-</u>
Net cash provided(used) by financing activities	<u>17,500</u>	<u>-</u>
Net increase(decrease) in cash and cash equivalents	1,674	4,699
Cash and cash equivalents, beginning of year	<u>10,668</u>	<u>5,969</u>
Cash and cash equivalents, end of year	<u><u>\$ 12,342</u></u>	<u><u>\$ 10,668</u></u>

See accompanying notes and independent accountants' review report

REVISION INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

Revision International (the Organization) is a nonprofit organization incorporated in 2007 to educate, inspire, connect and empower individuals and communities to achieve transformational change through locally created, scalable models that contribute to global sustainability. The Organization is supported primarily through government grants, foundations and contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

The Organization is required to report 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.

3. Cash and Cash Equivalents

Cash and cash equivalents are considered to be all unrestricted highly liquid investments with an initial maturity of three months or less.

4. Donations

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities, as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless the explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

5. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures \$500 or more for land, buildings and equipment. The fair value of donated assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

6. 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.

7. Income Taxes

The Organization is exempt from Federal and State income taxes under the provisions of Internal Revenue Code Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

8. Functional Reporting of Expenses

For the year ended December 31, 2011, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

9. Summarized Prior-Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organizations financial statements for the year ended December 31, 2010, from which the summarized information was derived.

10. Subsequent Events

Management has evaluated subsequent events through October 25, 2012, the date the financial statements were available to be issued and found no events that would materially alter the results presented herein.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

<u>Description</u>	<u>Amount</u>
Technology	\$ 4,423
Truck	5,200
Construction in process - greenhouse	<u>4,471</u>
Total	14,094
Less: accumulated depreciation	<u>(1,354)</u>
Net property and equipment	<u>\$ 12,740</u>

Depreciation expense for the year was \$1,235.

NOTE 4 - LINE OF CREDIT

A \$20,000 line of credit is currently established with the Denver Community Credit Union. The line has an annual percentage rate of 8.25%. The balance at December 31, 2011 is \$17,500.

NOTE 5 - IN-KIND CONTRIBUTIONS

Donated goods and services are reflected in the accompanying financial statements at their estimated values at date of receipt. Donated services consist of:

<u>Description</u>	<u>Amount</u>
Donated plant and seed material	\$ 11,000
Architecture	8,000
Engineering	6,400
Desks and office furniture	5,000
Grant writing	2,900
Computer tech	900
Other materials	<u>1,419</u>
Total	<u>\$ 35,619</u>

NOTE 6 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions for the following program purposes:

<u>Description</u>	<u>Amount</u>
Colorado Health Foundation - Denver Backyard Garden	\$ 40,000
Prevention Institute	10,000
Consulting	3,000
Mayor's Youth Commission	2,000
Westwood Backyard Garden program	2,000
Farmers' Market	<u>1,850</u>
Total	<u>\$ 58,850</u>