

Doll, Incorporated  
Financial Statements  
For The Year  
December 31, 2011

Pittman & Pitman, LLC  
(Tax , Accounting and a Business Consulting Firm)

# Doll, Incorporated

## Year 2011

### Table of Contents

	Page
Auditor's Report	1
Financial Statements:	
Balance Sheets (Statement of Financial Position)	2
Statement of Operations and Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5-7

**Pittman & Pittman, LLC**

Certified Public Accountants  
P. O. Box 2552  
Harvey, Illinois 60426

May 25, 2012

**Independent Accountants' Compilation Report**

---

To: Ms. Doll Smith  
Address: 2040 Fairview Lane, South Holland, IL 60473

We have compiled the accompanying balance sheet of Doll, Inc as of December 31, 2011, and the related statements of operations and changes in net assets, and the statement of cash flows for the year then ended.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements



William Pittman  
Pittman & Pittman, LLC

**Doll, Incorporated**  
**Balance Sheet as of**  
**December 31, 2011**

<b>Assets</b>	<b>2011</b>
<u>Current Assets</u>	<u>\$</u>
Cash and cash equivalents	12,045.00
Inventory	-
Temporary investment	-
Prepaid expenses	-
Other	-
Total Current Assets	<u>12,045.00</u>
<u>Long-Term Assets</u>	
Computers, software, net	-
Furnishings, net	-
Genl purp, mach, equij, net	-
Building , net	-
Land -	-
Investment Properties, net	-
Land- Investment Properties	-
Other	-
Total L-T Assets	<u>-</u>
<b>Liabilities</b>	
<u>Current Liabilities</u>	
Account payable	-
Short-term notes	-
Interest payable	-
Accrued payroll	-
Total Current Liabilities	<u>-</u>
<u>Long-term Liabilities</u>	
Long-term notes payable	26,172.00
Mortgage payable	-
Other long-term liabilities	-
Total Long-Term Liabilities	<u>26,172.00</u>
<b>Fund Balance:</b>	
Restricted Fund Balance	-
Unrestricted Fund Balance	<u>(14,127.00)</u>
Total Liabilities and Fund Balances	<u>12,045.00</u>

See notes to financial statements

**Doll, Incorporated**  
**Statement of Revenue and Expenses**  
**Year Ended December 31, 2011**

	<u>2011</u>
<b>Revenue:</b>	\$
Contributions, gifts, and grants	-
Program service revenue	-
Investment income	-
Gaming and fundraising events	4,761
Gross sales of inventory	-
Other revenue	-
Operating Revenue	<u>4761</u>

<b>Expenses (Operating):</b>	
Advertising	75.00
Auto Expense	518.00
Building - Rent	2,275.00
Bank - fees	-
Business licenses & Permits	1,182.00
Consultants / Contractors	2,773.00
Cost of Services	6,146.00
Depreciation	-
Legal and Professional Fees	772.00
Office Expense	472.00
Operating Supplies	1,602.00
Payroll Taxes	-
Repairs and Maintenance	171.00
Salaries and Wages	-
Travel & Entertainment	518.00
Telephone	1,617.00
Utilities Expenses	767.00
Total Operating Expenses	<u>18,888.00</u>
Total Operating Income	<u>(14,127.00)</u>

See notes to financial statements

**Doll, Incorporated**  
**Statement of Cash Flows**  
**For the Year Ended 2011**

	2011
	\$
Net Revenue from Operations	(14,127.00)
Adjustments to Reconcile Net Revenue to Net Cash	-
Provided by Operating Activities:	-
Depreciation and Amortization	-
Provision for Bad Debts	-
Decrease (Increase) in Certain Assets:	-
Prepaid Expense and other Current Assets	-
Other Assets	-
Increase (Decrease) in Certain Liabilities	-
Account Payable and Accrued Expenses	-
Other Non-Current Liabilities	-
	-
Net Cash Flow from Operating	(14,127.00)
Investing Activities	
Cash receipts from	
Sale of property and equipment	-
Sale of investment securities	-
Collection of principal on loans	-
Cash paid for	-
Purchase of property and equipment	-
Making loans to members and other entities	-
Purchase of investment securities	-
Net Cash Flow from Investing Activities	
Financing Activities	26,172.00
Net Increase in Cash	12,045.00
Cash & Cash Equivalent at beginning of the period	-
Cash & Cash Equivalent at the end of the period	12,045.00

See notes to financial statements.



1. **Nature of Organization:** Doll, Inc is an Illinois non-for-profit corporation committed its mission to provide housing for homeless veteran women and their families; while offering them technical training and other needed social services. The organization provides aids and directions to homeless veteran women throughout the Chicago metropolitan area and beyond.

The Organization received a favorable determination letter from the Internal Revenue Service providing an exemption from income tax under section 501(a) of the U. S. Internal Revenue Code as an organization described in Section 501(c) (3). The Organization is organized and operated exclusively for exempt purposes, and none of its earnings may inure to any private individuals. As a result, contributions and gifts to the Organization are tax deductible within the limitations prescribed by the IRS Code, as amended in 1954.

The Organization was incorporated in 2011 and is domiciled in the State of Illinois. Its business headquarter is located at 8435 Cottage Grove, Chicago, IL

2. **Summary of Significant Accounting Policies:** The financial statements of the Organization were prepared on a hybrid method of accounting. The hybrid method of accounting is not a system of accounting on its own. To the contrary, it is a combination of the Cash Basis Accounting and Accrual Basis Accounting. This system is based on the concept of conservatism. Under the hybrid system of accounting, incomes are recognized as in Cash Basis Accounting i.e. when they are received in cash and expenses are recognized on accrual basis i.e. during the accounting period in which they arise irrespective of when they are paid.

Cash and Cash Equivalents- Cash and Cash Equivalents are distinguished from other investments through their short-term existence; they generally mature within 3 months. Cash and cash equivalents refer to currency, coins, money orders, paper checks, savings accounts, and other depository accounts. Deposits with land banks and internet banks in the United States are insured by the FDIC. If an FDIC-insured bank or savings association fails, of course, deposits are insured.

Fixed assets – The Organization has no fixed assets. When the Organization purchases fixed assets, they will be recorded and classified in the balance sheet as intangible, tangible, or investments. Examples of tangible fixed assets include: land, and building, fixtures, and motor vehicles, and IT equipment.

**Summary of Significant Accounting Policies continued:**

Fixed assets - Fixed assets in excess of \$1,000 will be capitalized at their cost, or if donated at its fair market value on the date of the gifts. The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

Depreciation - Depreciation is an annual allowance for the wear and tear, deterioration, or obsolescence of the property. Depreciation will begin when the Organization places property in service for use in its business or for the production of income. The property will cease to be depreciable when the Organization has fully recovered the property's cost or other basis or when the Organization retires it from service, whichever happens first. Depreciation will be computed based on the straight-line method of accounting. The estimated useful lives of depreciable assets range from 3- 27 1/2 years.

Long-term notes payable – Notes payable were received from two third parties. An unsecured, non interest bearing loan of \$20,000 was received from a non-related third party. This note does not have a specific pay back schedule of principle, nor a call date. A note of \$6,172 was received from a related party and it is a non-bearing note with no maturity or call provisions.

Unrestricted Net Assets - Unrestricted net assets are resources currently available for operational purposes and are under the direction of the CEO and the Governing Board. The assets can be employed for any purpose designated by the CEO and the Governing Board, as distinguished from funds restricted externally for specific purposes.

Temporarily Restricted Net Assets - Temporarily restricted net assets are those contributions with specific stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations, there are no temporarily restricted net assets.

Permanently Restricted Net Assets - Permanently restricted net assets represent net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization. There were no permanently restricted net assets.

Revenues and Expenses - Fund raising income were recognized and recorded when they are received. Expenses were recognized in the year they are actually paid or accrued.

#### **Summary of Significant Accounting Policies continued:**

Gifts of fixed assets – Gifts, whether short or long term, will be recorded as unrestricted resources, unless donors explicitly restrict how the resources are to be used.



Contributed Services - Contributed Services are very valuable gifts to the Organization. Some companies provided services in the field of electrical, painting, printing documents ; while some individuals offered their personal services who are business leaders, PhDs, community organizers, social advocacies, just to name a few. While these services are valuable and have significant market value, the services were not recorded in the financial statements.

Operating Leases – There was one month- to- month commercial lease, requiring monthly minimum payments of \$325.00.