



# ABRACE FY2012 Annual Report

2011-2012



# Letter from the Board of Directors

Fiscal year 2011-2012 was particularly rewarding and challenging for ABRACE. It was especially rewarding due to the tremendous growth of our educational program, which surpassed all of our expectations. This growth shows that we are working in the right direction and meeting an important demand in the American-Brazilian community from the Washington, DC area. We are extremely proud of the children who continue to learn about their heritage and are grateful to the individuals and families that have supported us by enrolling in our educational programs, participating in our cultural fairs and activities, volunteering, and helping build and strengthen this community.

This growth also brought important challenges to ABRACE. We had to review our organizational structure, find a new facility to accommodate the growing number of students, and strengthen our financial controls. We are happy to report that we were successful in all these areas. We established a more efficient management structure (which included the creation of and hiring for a new position, the School Director), began a relationship with Fairfax County Public Schools to host our activities, and implemented new financial processes and systems.

These challenges came with very positive results in terms of our fundraising goals as well as our efforts to increase recognition among key leaders, key audiences, and opinion makers in Brazil and the United States. As a result of a national research and brand reputation analysis conducted by Brazil's largest bank, Banco do Brasil (BBMT), ABRACE was selected among 10 organizations in the United States to be part of a sponsorship

initiative -- the first of its kind outside of Brazil. We are also proud to have been selected as one of two organizations to pilot an educational project, for which we have been offered support and materials from the number one Brazilian TV channel, Globo. ABRACE was also one of just a few organizations in the United States (and the only one in the Washington, DC metropolitan area) to receive a grant offered by the Brazilian government. ABRACE is very thankful to all of those who contributed to our cause and supported our mission, whether by donating money, services or materials.

ABRACE's work would not be possible without the help of our teachers, parents and numerous volunteers. In order to maintain our work, we need your help. No contribution is too small. Let us know what your talents and interests are, and we will match you with an opportunity that suits your interests and availability. There is a lot to be done but we can tell you from experience that the resulting sense of accomplishment and the friendships that are developed through the organization's work are extremely rewarding.

This is ABRACE's first published annual report and constitutes another step toward more transparency and accountability. The report shows our accomplishments in four major areas: our educational program, our cultural program, our fundraising initiatives, and the financial results.

As we look forward to the coming years, we invite you to join us in our mission to promote and preserve the cultural, educational and social integration of our American-Brazilian community.

*ABRACE's mission is to promote and preserve the cultural, educational and social integration of the Brazilian community in the United States, with a focus on the Washington, DC metropolitan area, while strengthening the cultural ties between Brazil and the United States.*

# Educational Program Accomplishments

**Brazilian Heritage Language Program for Children.** ABRACE regularly offers two semesters of instruction to children ages 2 to 17 in the Washington, DC metropolitan area. Approximately 130 children participated in both the fall of 2011 and spring of 2012 semesters. This represents a 44 percent growth from the prior fiscal year, when we were serving approximately 90 students per semester. This growth was 14 percentage points higher than expected, and as a result, ABRACE had to find a new facility to accommodate the large number of students. Our goal for fiscal year 2012-2013 is to complete the transition to the new facility and improve the quality of our educational program by: (i) reducing class size; (ii) increasing student-teacher ratio for the pre-school; and (iii) improving teacher development and class curriculum..

**Programs for Adults.** ABRACE offers Brazilian Portuguese language classes for non-Portuguese speakers along with various workshop classes and lectures for families who live in a multicultural environment. In fiscal year 2012 we had approximately 15 participants per semester in the Portuguese classes for non-native speakers. Our goal for fiscal year 2012-2013 is to continue to provide educational programs for adults.

*ABRACE's educational programs served 130 children and 15 adults each semester.*

*The children's program grew by 44% from last fiscal year.*

# Cultural Program Accomplishments



**Cultural Classes and Workshops.** In fiscal year 2011-2012, ABRACE offered soccer classes for children ages 4 to 17. In addition, ABRACE submitted a proposal and was awarded a grant by the Brazilian Consulate to offer cultural workshops for children. The objective of these programs is to strengthen children's language and knowledge of the arts by teaching and nurturing distinctive cultural and traditional techniques from Brazilian theater and music. Our goal for the next fiscal year is to use this grant to offer music and theater workshops, a literacy contest, and an immersion program in Portuguese.

**Book and Cultural Fairs.** In fiscal year 2011-2012, ABRACE continued to offer its traditional book and cultural fairs, with more than 400 attendees overall. We will continue to offer these cultural and community outreach activities in the coming fiscal year.

# Fundraising Accomplishments



In fiscal year 2011-2012 ABRACE maintained the level of contribution from the previous fiscal year, receiving approximately \$5,000 (including in-kind donations) from four different sources: corporate (52 percent), individuals (21 percent), Brazilian government (17 percent) and foundations (10 percent). Among our corporate donors, Banco do Brasil Money Transfer was the greatest contributor.

The goal for the next fiscal year is to increase the level of contribution by 50 percent, by consolidating and expanding our relationship with corporate donors and the Brazilian government, while implementing strategic initiatives to diversify donation sources and to reach out to a broader scope of sponsors, partners, clients and donors.



# Financial Results

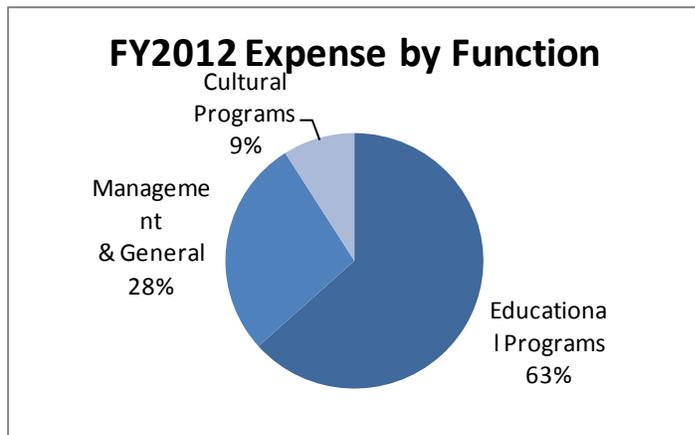
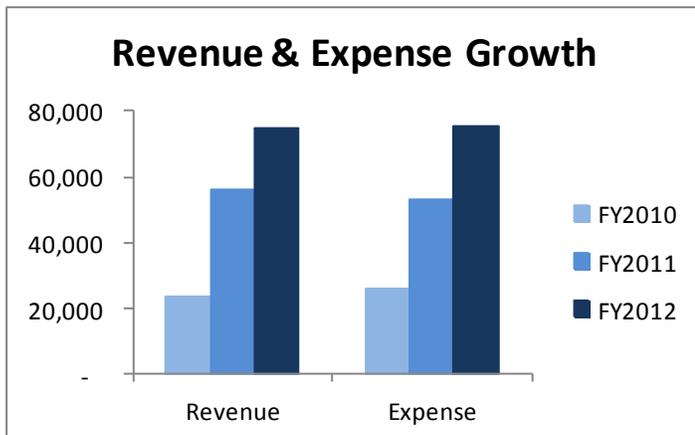
ABRACE is committed to implementing its programs efficiently, focusing resources on programs and minimizing administrative costs.

**Revenue.** ABRACE's revenue comes predominantly from tuition from our educational programs. Because of the large increase in students, total revenue grew by 33 percent in fiscal year 2011-2012, reaching approximately \$75,000.

**Expense.** Total expense grew at a higher rate by 42 percent, reaching just over \$75,000. Last fiscal year ABRACE spent approximately \$62,000 in program expenses, representing 72 percent of total expenses. Approximately 63 percent was spent on educational programs and 9 percent on cultural programs. Most of these resources were used to pay for teachers and the facility where these programs took place. Management

and general expenses totaled approximately \$21,000, representing 28 percent of the total expense.

**Net income.** ABRACE's expenses exceeded revenues by \$900 due to increased business and operating expenses. ABRACE was able to cover the excess with the small cash reserve accumulated from previous years. To proactively manage future operations and strengthen our financial controls, last fiscal year ABRACE hired an expert to develop and implement ABRACE's internal financial control processes and strengthen accounting and financial planning and monitoring practices. Our goal in this coming fiscal year is to work closely with our new functional directors to improve the quality of our educational program, diversify and increase fundraising, and maintain a balanced budget.



# Consolidated Statements of Financial Position

	Year ended August 31	
	FY 2012	FY 2011
<b>Assets</b>		
Checking/Savings	\$24,910.53	\$9,565.04
Accounts Receivable	\$3,854.20	\$490.00
Other Current Assets	\$3,123.73	-\$260.00
	<b>\$31,888.46</b>	<b>\$9,795.04</b>
<b>Liabilities &amp; Equity</b>		
Liabilities		
Accounts Payable	\$2,170.00	\$0.00
Unearned Revenues (prepaid tuition)	\$20,824.20	\$0.00
Unrestricted Net Assets	\$8,894.26	9,795.04
	<b>\$31,888.46</b>	<b>\$9,795.04</b>

# Consolidated Statements of Activities

	Year Ended August 31	
	FY 2012	FY 2011
<b>Revenue</b>		
Individual/Business Contributions	\$4,964.00	\$4,186.14
Program Income	69,676.70	\$51,601.00
Special Events Income	\$0.00	\$5,154.00
	<b>\$74,640.70</b>	<b>\$60,941.14</b>
<b>Expense</b>		
Business Expense	\$2,204.83	\$249.00
Contract Services		
Teachers	\$24,760.24	\$15,462.04
Management fees	\$22,202.50	\$15,500.00
Accounting fees	\$5,150.00	\$2,200.00
Office support	\$5,096.52	\$1,106.00
Outside services	\$4,250.00	\$5,275.80
Other contracts	\$90.00	\$90.00
Facilities and Equipment	\$4,545.00	\$4,809.00
Operations	\$5,958.99	\$6,696.46
Insurance & Other Types of Expenses	\$1,283.40	\$1,700.23
	<b>\$75,541.48</b>	<b>\$53,088.53</b>
<b>Net Income (Expense)</b>	<b>-\$900.78</b>	<b>\$7,852.61</b>



**ABRACE, INC.**  
**Brazilian Association of Culture and Education**  
**A 501 c(3) organization**  
**Tax I.D. # 27-0419710**

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