



Music Making A Difference

GnG NCA



2011 Annual Report



GnG NCA, PO Box 1141, Springfield Virginia 22151
www.gngnca.org





Creating solutions

Who we are

GnG NCA is the Guitars Not Guns affiliate serving Washington DC and the neighboring counties in Virginia and Maryland. We provide an after-school music and mentoring program for youth living under adverse circumstances - poverty, dysfunctional families and challenged neighborhoods. Financial reality has resulted in fewer opportunities for those with limited means to participate in a quality music program at school. At the same time the fastest growing segment of our population is youth being born into poverty and the school dropout rate for these youth, particularly among minorities is high. GnG believes every child should have the opportunity to benefit from a quality music program.

What we do

GnG NCA goes into the communities where these youth reside and sets up its music program; free to all who qualify. Research has shown a strong correlation between music education and a person's success in life. Youth involved in quality music programs tend to do better in school; score higher on standardized tests; be less inclined to engage in risky behavior; and be more inclined to take advantage of opportunities made available to them. It is a positive outlet for their emotions and one of the few activities that can be enjoyed by anyone; there is no stereotype image based on gender, race, national origin, religion or physical attributes.



Understanding the benefits of a music program



Kids with nowhere to go, end up ... going nowhere

Why it's important

Youth born into poverty or with limited opportunities are affected both physically and mentally. Without intervention today these youth will become society's burden tomorrow. GnG's music program teaches discipline, builds self esteem and develops self confidence. Our mentors provide these youth the skills and guidance necessary to overcome the limitations inherent to the environment into which they were born and become successful in life.

We are a community based program because bringing solutions into the communities where our student's reside is the most effective way to create lasting change. Providing programs in communities doesn't just benefit the people who participate in them; it also helps develop a sense of pride and ownership in the community itself.

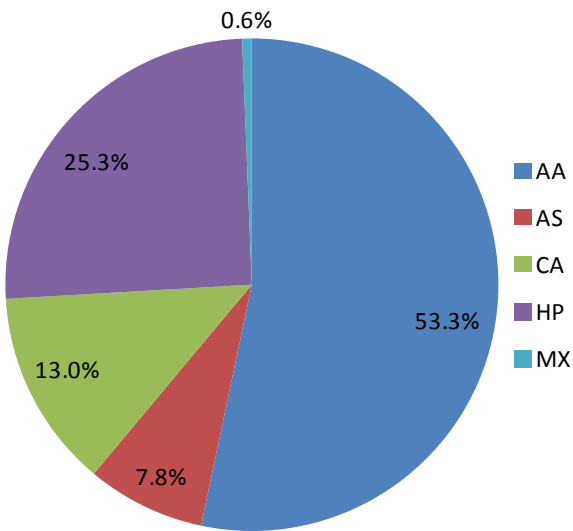
GnG NCA came to the metropolitan Washington DC area in 2006 and has grown substantially each year since. In 2011 we served over 225 youth at 32 different teaching locations across the area. While we continue to improve our organization and broaden our funding base, we’re most proud of the results we’re achieving.

Assimilating the diversity in our society is a major concern and one of the goals of our program. Music embraces our diversity; its appeal easily crosses gender, age, race, national origin, religion and physical attributes boundaries. Our program is attracting that diversity and our students are developing important social skills as they learn together in our diverse classrooms.

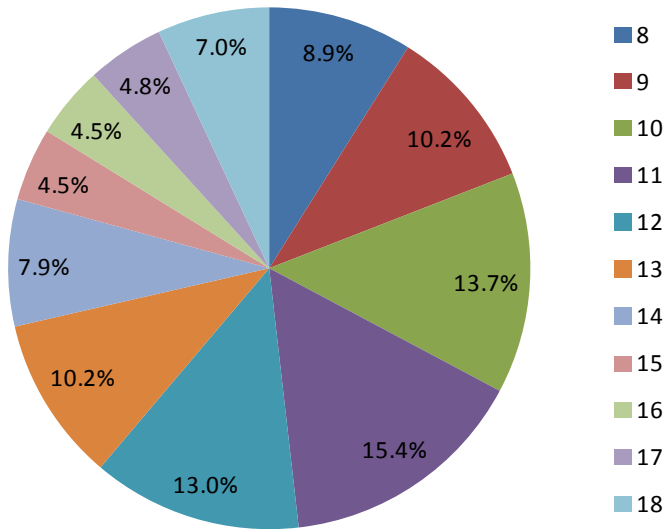
Our racial diversity reflects the low income population distribution in the communities we serve.

Our age diversity is approximately a 50/50 split between middle and high school age students.

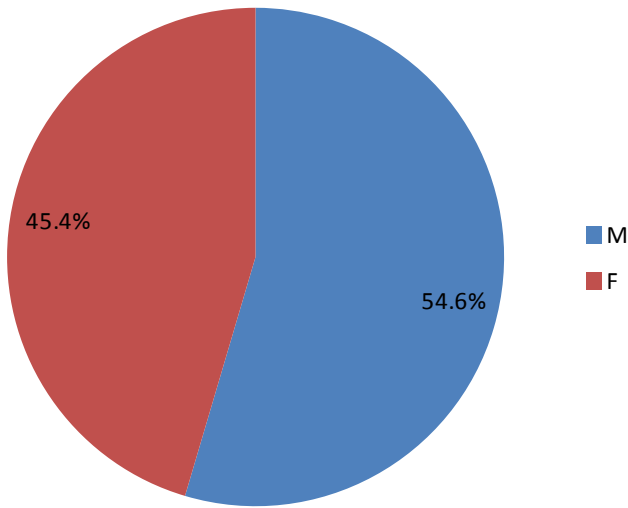
Our gender diversity is more males than females. The percentage of females participating increased from 31% in 2010 to 45% in 2011.



Racial Diversity



Age Diversity



Gender Diversity

Building the confidence and self esteem of the youth we serve is another major goal of our program. Research has shown that youth who feel good about themselves and experience success are much more likely to avoid risky behavior and succeed in life.



Our new students are taught the discipline required to play an instrument; they learn basic guitar skills, music theory and how to read music; and they experience positive relationship/role-modeling with adults and older youth. These disciplines and interpersonal experiences are directly applicable to their other academic and work initiatives. These positive experiences improve our student's academic performance; inspire them to engage in more of the opportunities available to them; and removes those factors that lead them toward participating in risky behaviors.

Building Confidence



Sustained participation by youth enrolled in our program strengthens their relationships with other youth, especially youth from different ethnic/social/racial backgrounds. Music is enjoyed by everyone and can be performed by anyone regardless of their gender, race, religion, national origin, intellectual accomplishments or physical size. With music serving as the common interest that brought them together, our students engage one another; they learn more about what they have in common; and they gain understanding of their differences.

Developing Understanding



Many parents and teachers have told us that their child's/student's academic performance has improved as a result of their participation in our program. While music is an art form it is mathematically based and exercises the same part of the brain that is used for math and science. When children are able to indulge their passion, in our case music, it lifts their spirits and makes it easier for them to focus on other tasks which are important but perhaps less interesting to them.

Improving Academics

President's Message



Despite the continuing sluggish economy, 2011 was a good year for GnG NCA; we realized net increases of nearly 8% in revenue and more than 31% in total assets. We were also able to continue improving our curriculum without increasing our equipment cost per student. The number of youth served in 2011 declined from the number served in 2010; we're currently addressing the factors that contributed to that decline. We're achieving excellent results; support for our program continues to grow; and we're committed to continuing our success in the years ahead.



The demographics of the youth in proximity to some of teaching locations has changed resulting in fewer students who qualified for our program at these locations. Because we execute our program in partner facilities versus our own fixed locations we have the flexibility to relocate when the demographics in a community change. In 2012 we will actively look for new teaching locations to replace those in areas where the demographics have changed.



Some of our partners experienced financial difficulties and/or increased workload which made it more difficult for them to support our program continuously throughout 2011. In addition, some of our volunteers responsible for setting up and overseeing teaching locations experienced family or career issues which required more of their time thus reducing their volunteer hours with us. To date we have been an all volunteer organization but we've found that this model limits the number of teaching locations we can concurrently set up and oversee on a continuous basis. In 2012 we will investigate using college students eligible for the Federal Work Study Program to perform the tasks associate with setting up and overseeing classes. This approach will provide us the required resources to sustain continuous operations at minimal cost and provide the college students valuable work experience as well as financial assistance.



The outlook for 2012 and subsequent years are challenging. The general consensus is that political wrangling and the slowness of the economic recovery will continue to increase the need for nonprofit services. Concurrently, there is the expectation that nonprofit funding will not keep pace with this increase in need. We are well positioned and prepared to meet the challenge. The positive benefits that our music program provides coupled with our cost efficiency make us one of the best investment values for effectively addressing the challenges that so many of today's youth face. We will continue to collaborate with Government agencies, other nonprofits and the business community to ensure that our music program is effectively addressing the need in the most cost efficient manner possible.



We are grateful to all of those associated with us. Our volunteers, their dedication and hard work is responsible for our success; and our sponsors and donors, their support makes our program possible. Thank you.

Overview

GnG NCA operates the Guitars not Guns Music Program in Virginia, Maryland and Washington DC. Prior to 2010, GnG NCA operated within Guitars not Guns Inc. In 2010 the Guitars not Guns Board of Directors voted to make GnG NCA a separate corporation.

While GnG NCA and Guitars not Guns are separate corporate entities our music program operates as one and we have some board members in common.

2010 is the first year in which GnG NCA reported separate finances; for 2006 - 2009 GnG NCA's numbers were included in Guitars not Guns financial reporting. For comparison, following is summary of GnG NCA's finances for 2006 - 2011.

	<u>Revenue</u>	<u>Expenses</u>
2006*	\$19,318	\$ 8,009
2007*	\$26,514	\$11,853
2008*	\$31,699	\$33,388**
2009*	\$37,385	\$20,286
2010	\$44,426	\$17,329
2011	\$47,871	\$25,468

* Reported in Guitars not Guns finances

** Spent \$20,000 Capacity building grant

Balance Sheet

As of December 31, 2011

Unaudited

Cash	
Unrestricted	\$22,126
Temporarily Restricted	\$15,029
Pledges Receivable	\$ 1,342
Grants Receivable	\$10,417
Inventories for Sale	\$11,876
Inventories for Use	\$32,897
Total Assets	\$93,687
Total Liabilities	\$ 0
Net Assets	\$93,687

Revenues & Expenses

Period ended December 31, 2011

Unaudited

Revenues:

Contributions	\$ 9,457
Grants	\$ 9,617
Product Sales	\$ 1,870
Guitar Raffles	\$ 1,296
Federated Campaigns	\$11,984
In-Kind Donations	\$13,647

Total Revenues \$47,871

Expenses:

Guitars & Accessories	\$ 8,200
Training & Teaching Supplies	\$ 7,356
Fed & State Fees	\$ 152
Professional Fees	\$ 5,148
Teacher Insurance	\$ 1,371
Information Technology	\$ 2,165
Advertising & Promotion	\$ 787
Office Supplies	\$ 289

Total Expenses \$25,468

2010 Adjustment to Grants Receivable \$ 1,909

Change in Net Assets \$24,312

GnG NCA Board of Directors

Skip Chaples
Chairman
Betsy Stone
VP/Treasurer
Gloria Dawson
Secretary

Jim Basara
Frank Darling
Robert Freeland
Gregg Hammond
Glen McCarthy
Ray Nelson

Guitars not Guns Board Of Directors

Ray Nelson
Chairman
Skip Chaples
Vice President
Frank Darling
Vice President
Michael Leidel
Vice President, Marketing
Val Steinberg
Secretary/Treasurer

Income Uses

Program	\$21,423	84.1%
Administration	\$ 2,669	10.5%
Fundraising	\$ 1,376	5.4%