

BRIDGE OF HOPE, INC.
FINANCIAL STATEMENTS
MARCH 31, 2010
(See Independent Auditors' Report)

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A P R O F E S S I O N A L C O R P O R A T I O N

Certified Public Accountants

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Independent Auditors' Report

The Board of Directors
Bridge of Hope, Inc.

We have audited the accompanying statements of financial position of Bridge of Hope, Inc. (a nonprofit organization) as of March 31, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organizations' 2009 financial statements and in our report dated June 15, 2009; we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bridge of Hope, Inc. as of March 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Bee, Bergvall & Company, P.C.
Certified Public Accountants

July 6, 2010

BRIDGE OF HOPE, INC.

Statement of Financial Position

March 31, 2010 and 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Current Assets		
Cash and Cash Equivalents	\$ 51,382	\$ 95,972
Promises to Give Net	32,655	17,399
Prepaid Expenses	<u>3,376</u>	<u>3,247</u>
Total Current Assets	<u>87,413</u>	<u>116,618</u>
 Permanently Restricted Assets		
Endowment Cash	601	21,000
Endowment Investment	56,399	-
Endowment Promises to Give Net	<u>85,563</u>	<u>104,759</u>
Total Restricted Assets	<u>142,563</u>	<u>125,759</u>
 Property and Equipment		
Office Furniture and Equipment	15,502	23,625
Less: Accumulated Depreciation	<u>(11,744)</u>	<u>(20,400)</u>
Net Property and Equipment	<u>3,758</u>	<u>3,225</u>
 Other Assets		
Security Deposit	<u>1,100</u>	<u>1,100</u>
 TOTAL ASSETS	<u>\$ 234,834</u>	<u>\$ 246,702</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ 12,229	\$ 14,496
Accrued Vacation	8,425	7,410
Payroll Taxes Withheld and Accrued	1,544	1,692
Funds Held For Affiliates	<u>17,107</u>	<u>23,329</u>
Total Current Liabilities	<u>39,305</u>	<u>46,927</u>
 Net Assets		
Unrestricted	18,864	24,931
Temporarily Restricted	34,102	49,085
Permanently Restricted	<u>142,563</u>	<u>125,759</u>
Total Net Assets	<u>195,529</u>	<u>199,775</u>
 TOTAL LIABILITIES AND NET ASSETS	<u>\$ 234,834</u>	<u>\$ 246,702</u>

See independent auditors' report and
accompanying notes to the financial statements

BRIDGE OF HOPE, INC.

Statement of Activities

For the Year Ended March 31, 2010
With Comparative Totals for the Year Ended March 31, 2009

	<u>2010</u>				<u>2009</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Total</u>
Public Support and Revenue					
Individual Contributions	\$ 163,701	\$ -	\$ 16,804	\$ 180,505	\$ 284,679
Church Contributions	5,004	-	-	5,004	750
Corporate Contributions	5,240	-	-	5,240	10,728
Foundation Grants	73,035	-	-	73,035	28,330
Special Fundraising Events (net)	63,348	34,102	-	97,450	95,016
Affiliate Fees, Resources, and Conference Registration	17,551	-	-	17,551	21,779
Conference Sponsorships	12,300	-	-	12,300	13,350
Interest Income	649	-	380	1,029	1,968
Donated Services and Materials	9,251	-	-	9,251	3,329
Net Assets Released from Restrictions	<u>49,465</u>	<u>(49,085)</u>	<u>(380)</u>	<u>-</u>	<u>-</u>
Total Public Support and Revenue	<u>399,544</u>	<u>(14,983)</u>	<u>16,804</u>	<u>401,365</u>	<u>459,929</u>
Functional Expenses					
Program Services	296,957	-	-	296,957	328,961
Support Services					
General and Administrative	46,192	-	-	46,192	36,609
Fundraising	<u>62,462</u>	<u>-</u>	<u>-</u>	<u>62,462</u>	<u>50,803</u>
Total Expenses	<u>405,611</u>	<u>-</u>	<u>-</u>	<u>405,611</u>	<u>416,373</u>
Change in Net Assets	(6,067)	(14,983)	16,804	(4,246)	43,556
Net Assets at Beginning of Year	<u>24,931</u>	<u>49,085</u>	<u>125,759</u>	<u>199,775</u>	<u>156,219</u>
Net Assets at End of Year	<u>\$ 18,864</u>	<u>\$ 34,102</u>	<u>\$ 142,563</u>	<u>\$ 195,529</u>	<u>\$ 199,775</u>

See independent auditors' report and
accompanying notes to financial statements

BRIDGE OF HOPE, INC.

Statement of Functional Expenses

For the Year Ended March 31, 2010
With Comparative Totals for the Year Ended March 31, 2009

	<u>2010</u>				<u>2009</u>
	<u>Program</u>	<u>General</u>	<u>Fund</u>	<u>Total</u>	<u>Total</u>
	<u>Services</u>	<u>& Admin</u>	<u>Raising</u>		
Payroll and Related Expenses					
Salaries	\$ 175,793	\$ 30,136	\$ 45,204	\$ 251,133	\$ 266,011
Employee Benefits	7,446	1,276	1,914	10,636	8,012
Payroll Taxes	16,599	2,845	4,268	23,712	22,985
Total Payroll and Related Expenses	<u>199,838</u>	<u>34,257</u>	<u>51,386</u>	<u>285,481</u>	<u>297,008</u>
Affiliate Development					
Conference for Affiliates	10,019	-	-	10,019	11,906
Outreach Initiative	14,199	-	-	14,199	9,668
Support	18,377	-	-	18,377	14,522
Travel	8,804	-	-	8,804	11,612
Total Affiliate Development	<u>51,399</u>	<u>-</u>	<u>-</u>	<u>51,399</u>	<u>47,708</u>
Other Expenses					
Depreciation	1,720	295	442	2,457	2,531
In-Kind Support	6,476	1,110	1,665	9,251	3,329
Insurance	3,596	616	925	5,137	3,966
Legal and Accounting	2,646	4,550	-	7,196	14,408
Outsourced Support	5,022	861	1,292	7,175	4,636
Miscellaneous	4,459	764	1,146	6,369	6,811
Office Supplies and Postage	8,187	1,404	2,105	11,696	10,508
Rent Expense	9,488	1,627	2,440	13,555	14,333
Telephone	3,036	521	781	4,338	5,586
Training	1,090	187	280	1,557	2,549
Uncollectable Promise Expense	-	-	-	-	3,000
Total Other Expenses	<u>45,720</u>	<u>11,935</u>	<u>11,076</u>	<u>68,731</u>	<u>71,657</u>
Total Functional Expenses	<u>\$ 296,957</u>	<u>\$ 46,192</u>	<u>\$ 62,462</u>	<u>\$ 405,611</u>	<u>\$ 416,373</u>

See independent auditors' report and
accompanying notes to financial statements

BRIDGE OF HOPE, INC.

Statement of Cash Flows

For the Year Ended March 31, 2010
With Comparative Totals for the Year Ended March 31, 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities		
Change in Net Assets	\$ (4,246)	\$ 43,556
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	2,457	2,531
(Increase) Decrease in Operating Assets		
Promises to Give	3,940	(68,740)
Prepaid Expenses	(129)	1,863
Increase (Decrease) in Operating Liabilities		
Accounts Payable	(2,267)	2,393
Accrued Vacation	1,015	1,363
Payroll Taxes Withheld and Accrued	(148)	835
Funds Held for Affiliates	<u>(6,222)</u>	<u>17,692</u>
Net Cash Provided by (Used in) Operating Activities	<u>(5,600)</u>	<u>1,493</u>
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(2,990)	-
Purchase of Investments	<u>(56,399)</u>	<u>-</u>
Net Cash Provided by (Used in) Investing Activities	<u>(59,389)</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	(64,989)	1,493
Cash and Cash Equivalents at Beginning of Year	<u>116,972</u>	<u>115,479</u>
Cash and Cash Equivalents at End of Year	<u>\$ 51,983</u>	<u>\$ 116,972</u>

See independent auditors' report and
accompanying notes to financial statements

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 1. Summary of Significant Accounting Policies

Organization: The Bridge of Hope, Inc. (the Organization) is a nonprofit organization located in Exton, Pennsylvania. The vision of Bridge of Hope National is to end and prevent homelessness for women and children across the United States by calling churches into action.

Our mission is to call and equip compassionate people from many Christian faith traditions to exemplify Christ's love to homeless women and children by creating and sustaining thriving Bridge of Hope affiliates and program and church sites. Local Bridge of Hope affiliates and sites bring together professional staff and trained church-based mentoring groups to empower homeless and at-risk single mothers to attain:

- Permanent housing
- Financial stability through employment
- Life-changing friendships
- Increased self-esteem and growth in areas of holistic living

The Organization aids in initiating new Bridge of Hope affiliates/sites in the community. The Organization provides management and guidance in the affiliate/site start-up stage and consultation as the affiliates/sites grow.

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.

Financial Statement Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, 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.

Unrestricted Net Assets: Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 1. Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation (Continued)

Permanently Restricted Net Assets: Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. As of March 31, 2010 permanently restricted net assets consisted of the Bridge for Tomorrow Endowment Fund, which will allow for loans on principal on a very limited and specific basis for the purpose of program expansion and growth. The income earned on the account is available as unrestricted funds.

Comparative 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 accounting policies generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2009, from which the summarized information was derived.

Revenue Recognition: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give which are due in future years are recorded as temporarily restricted contributions at the present value of their net realizable value. Conditional promises to give are not included as support until such time as the condition is substantially met.

Amounts received that are designated for future periods, or that are restricted by the donor for specific purpose, are reported as temporarily restricted or permanently restricted net assets. When a temporary restriction expires, that is, when a stipulated time restriction ends or purpose restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Allowance for Unconditional Promises to Give: The Organization utilizes the direct write-off method to record promises to give that are deemed uncollectible. Under this method, promises to give that become uncollectible during the year are charged against current year activities. The Organization estimates that this method is not materially different from the allowance method.

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 1. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses: The costs of developing the affiliate programs and other activities have been summarized on the statement of functional expenses. Accordingly, certain costs have been allocated between program and supporting services.

Cash Equivalents: The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Property and Equipment: Property and equipment are stated at their historical purchased cost. Expenditures that significantly add to productive capacity or useful life of an asset are capitalized. Maintenance and repairs are charged to expense as incurred. When depreciable property is retired or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and the resulting gain or loss is reflected in income.

Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted net assets. Absent donor stipulations regarding how long those donated assets must be utilized, the Organization reports net assets released from restrictions when the acquired assets are placed in service.

Property and equipment donated to the Organization are carried at fair market value as determined by an independent appraiser on the date the properties were donated.

Depreciation: Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from 5 to 7 years. Depreciation expense for the year ended March 31, 2010 was \$2,457.

Investments: For the year ended March 31, 2010, all investments were held in certificates of deposit and reported at cost. All interest earnings are reported in revenues.

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 1. Summary of Significant Accounting Policies (Continued)

Donated Services and Materials: Donated materials, services, and other noncash assets are reflected as contributions in the accompanying statements of activities at their estimated fair market value on the date received. Donated materials included gift cards, program supplies, as well as various other items. Total donated materials were \$9,251 for the year ended March 31, 2010.

The Organization receives significant volunteer time for help in fundraising and in completing various office and administrative duties. No values have been assigned to these donated services, as they do not meet the criteria of recognition under FASB 116.

Concentration of Credit Risk: The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash. The Organization places its cash and temporary cash investments with high credit quality institutions. At times such investments may be in excess of the FDIC insurance limit. As of March 31, 2010, the Organization was not in excess of these insurance limits.

Federal Income Tax: The Organization is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is not a private foundation as defined in Sections 170 and 509 of the Internal Revenue Code. The Organization files a separate Federal Form 990. The affiliates of Bridge of Hope, Inc. are permitted to qualify for 501(c)(3) status under the group exemption letter of Bridge of Hope, Inc. The affiliates are required to maintain certain levels of compliance with the Organization. However, a consolidated Form 990 is not filed.

Budget: The Organization adopts and maintains a yearly budget. The budget is subject to correction and changes during the year at the discretion of the Board of Directors.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 1. Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements: Effective July 1, 2009, the Organization adopted FASB Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes* - an interpretation of FASB Statement No. 109. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. FIN 48 requires entities to determine whether it is more likely than not that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. It also provides guidance on the recognition, measurement, and classification of income tax uncertainties, along with any related interest or penalties. The adoption of FIN 48 had no impact on the Organization's financial statements.

In 2009, the Organization adopted FASB Statement No. 117-1, *Endowments for Not-for-Profit Organizations*, in order to conform with generally accepted accounting standards. Statement No. 117-1 establishes enhanced disclosure and reporting for donor-restricted endowment funds. See Note 5.

NOTE 2. Rent Expense

As of December 1, 2004, the Organization entered into a three year lease to rent office space in Exton from an unrelated party. The lease was subsequently renewed for an additional five years. Total rent paid for the Exton office space was \$13,555 for the year ended March 31, 2010. Future minimum rental payments are as follows:

Year Ended	
<u>March 31,</u>	<u>Amount</u>
2011	\$ 12,400
2012	13,600
2013	<u>9,600</u>
Total	<u>\$ 35,600</u>

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 3. Affiliate Program Development

The Organization is actively pursuing establishment of programs in other regions, which mirror the Bridge of Hope Organization. Expenses incurred in marketing the affiliation are reflected as affiliate expense. Existing affiliates pay Bridge of Hope, Inc. an annual affiliation fee that is included with contributions made for affiliate development. These revenues are included in affiliate program income.

In addition, Bridge of Hope, Inc. collects contributions from donors reserved for specific affiliates. The Organization subsequently distributes these contributions for startup expenses incurred in forming the new affiliate. If a startup group does not affiliate, the policy of Bridge of Hope National is to hold the funds they raised for two years in hopes of an affiliate emerging. If one does not begin after two years, those funds are then distributed to general operations for Bridge of Hope National. The excess contributions are reflected as a liability at the conclusion of the fiscal year. Total funds held for start-up groups (i.e. future affiliates) were \$17,107 for the year ended March 31, 2010, and are payable to various start-up groups as identified below.

Contributions and distributions for affiliates are as follows:

	<u>Beginning</u>	Contributions <u>Reserved</u>	<u>Distributions</u>	<u>Ending</u>
Mendocino Co., CA	\$ 1,090	\$ -	\$ (1,090)	\$ -
BOH Harrisonburg, VA	3,580	698	(4,230)	48
Morris Co., NJ	16,479	10	(333)	16,156
Goshen-Elkhart Co.	100	-	-	100
Franklin Co., IA	2,080	1,661	(3,741)	-
Blue Mtn (PA)	-	481	-	481
Ozarks	-	225	(3)	222
Lebanon Co.	-	100	-	100
Totals	<u>\$ 23,329</u>	<u>\$ 3,175</u>	<u>\$ (9,397)</u>	<u>\$ 17,107</u>

NOTE 4. Retirement Plan

During 2003, the Organization adopted a Simple IRA plan for employees. The plan provides a matching benefit of up to 3%. For the year ended March 31, 2010 the retirement plan benefit included in employee benefits expense was \$6,901.

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 5. Temporarily Restricted Net Assets

Net assets have been restricted for the following purposes:

Time Restriction	<u>2010</u>
Special Events	\$ 34,102
	<u>\$ 34,102</u>

Net assets released from restrictions were as follows:

Purpose Restrictions Accomplished	<u>2010</u>
Three Year Development Director	\$ 23,350
Time Restrictions Accomplished	
Special Events	<u>25,735</u>
	<u>\$ 49,085</u>

NOTE 6. Special Events

The Organization had special events for the year ended March 31, 2010 as follows:

	Gala <u>Luncheon</u>	Signature <u>Golf</u>	<u>Total</u>
Gross Revenues	\$ 53,439	\$ 56,055	\$ 109,494
Direct Expenses	<u>(7,099)</u>	<u>(13,312)</u>	<u>(20,411)</u>
Net	<u>\$ 46,340</u>	<u>\$ 42,743</u>	<u>\$ 89,083</u>
			Revenue received in prior year (25,735)
			Revenue received in advance <u>34,102</u>
			Total Fundraising for Special Events <u>\$ 97,450</u>

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 7. Promises to Give, Net

As part of the Organization's contribution campaigns, the Organization received various unconditional promises to give from donors. These unconditional promises to give are recorded as donations in the year that they are pledged. For financial statement purposes, promises to give that are not due within one year are discounted using present value tables with an interest rate assumption using the weighted average rate of return on the Organization's cash investments. Endowment promises to give for the year ended March 31, 2010 was calculated as follows:

<u>Bridge for Tomorrow Endowment</u>	
Promises to Give	\$ 86,600
Less: Discount to Present Value	<u>(1,037)</u>
Promises to Give, Net	<u>\$ 85,563</u>

Promises to give at March 31, 2010 were expected to be collected as follows:

Year Ending	<u>March 31,</u>	<u>Endowment</u>	<u>Unrestricted</u>
2011	\$	23,000	\$ 32,655
2012		21,400	-
2013		21,400	-
2014		20,400	-
2015		400	-
Total	\$	<u>86,600</u>	<u>\$ 32,655</u>

NOTE 8. Endowments

The Organization adopted Statement of Financial Accounting Standard (SFAS) No. 117-1, Endowments for Not-for-Profit Organizations, effective January 1, 2009. The adoption of SFAS No. 117-1 did not have a material impact on the Organization's financial statements, although it did result in expanded disclosures.

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 8. Endowments (Continued)

The Organization's endowment consists of the Bridge for Tomorrow Endowment Fund established individual funds established to allow for loans on principal on a very limited and specific basis for the purpose of program expansion and growth a variety of purposes. The endowment is comprised of donor-restricted funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law: The Board of Directors of the Organization have interpreted the law as requiring any donor-restricted contributions as being classified as unrestricted, temporarily restricted, or permanently restricted depending on the nature of the restriction. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purpose of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

Endowment Net Asset Composition consisted \$142,563 in Permanently Restricted funds as of March 31, 2010:

Changes in endowment net assets for the fiscal year ended March 31, 2010:

<u>Donor Restricted</u>	<u>Permanently Restricted</u>
Endowment Net Assets, Beginning of the Year	\$ 125,759
Interest Income	380
Transfers In	16,804
Amounts Appropriated for Expenditure	<u>(380)</u>
Endowment Net Assets, End of the Year	<u>\$ 142,563</u>

BRIDGE OF HOPE, INC.

Notes to Financial Statements

March 31, 2010

(See Independent Auditors' Report)

NOTE 8. Endowments (Continued)

Return Objectives and Risk Parameters: The Organization's investment practice for endowment assets is to invest the funds in a conservative manner to provide a prudent rate of return.

Strategies Employed for Achieving Objectives: To satisfy its long-term rate-of-return objectives, the Organization currently has funds invested in a certificate of deposit.

Spending Policy and How the Investment Objectives Relate to Spending Policy: The Organization's policy will allow for loans on principal for program expansion and growth on a very limited and specific basis. Loan specifications will include repayment of principal and interest at prime during specific times of the program expansion.

NOTE 9. Line of Credit

The Organization has available a \$20,000 bank line of credit secured by a certificate of deposit. The line bears interest at LIBOR plus 2.25%. There was no outstanding balance as of March 31, 2010.

NOTE 10. Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through July 6, 2010, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.