

INTERFAITH WORKER JUSTICE
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

For the Year Ended
December 31, 2012

INTERFAITH WORKER JUSTICE

Annual Financial Report

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Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors of
Interfaith Worker Justice
Chicago, IL

We have audited the accompanying financial statements of Interfaith Worker Justice (a nonprofit organization), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. The prior-year summarized comparative information has been derived from the Organization's December 31, 2011 financial statements, and, in our report dated May 25, 2012, we expressed an unqualified opinion on those financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Interfaith Worker Justice as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Desmond & Akers, Ltd

March 1, 2013
Chicago, IL

**INTERFAITH WORKER JUSTICE
STATEMENT OF FINANCIAL POSITION
December 31, 2012 (with comparative totals for 2011)**

	<u>2012</u>	<u>2011</u>
<u>Assets</u>		
Current Assets		
Cash and equivalents	\$ 579,985	\$ 753,499
Contribution receivables	161,761	518,568
Government receivables	6,243	-
Other receivables	1,427	1,556
Prepays	23,353	14,594
Notes receivable	10,000	5,000
Total current assets	<u>782,769</u>	<u>1,293,217</u>
Property and Equipment		
Leasehold improvements	22,982	22,982
Furniture and equipment	179,391	178,142
Less accumulated depreciation	<u>(187,137)</u>	<u>(178,177)</u>
Net property and equipment	<u>15,236</u>	<u>22,947</u>
Notes receivable, net of current portion	<u>5,000</u>	<u>10,000</u>
Total Assets	<u><u>\$ 803,005</u></u>	<u><u>\$ 1,326,164</u></u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	\$ 4,562	\$ 34,591
Accrued payroll	48,657	51,341
Funds held for others	<u>3,673</u>	<u>4,148</u>
Total liabilities	<u>56,892</u>	<u>90,080</u>
Net Assets		
Unrestricted		
General	428,416	712,070
Board designated	<u>130,000</u>	<u>-</u>
Total unrestricted	<u>558,416</u>	<u>712,070</u>
Temporarily restricted	<u>187,697</u>	<u>524,014</u>
Total net assets	<u>746,113</u>	<u>1,236,084</u>
Total Liabilities and Net Assets	<u><u>\$ 803,005</u></u>	<u><u>\$ 1,326,164</u></u>

See independent auditor's report and notes to financial statements.

INTERFAITH WORKER JUSTICE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012 (with comparative totals for 2011)

	Unrestricted	Temporarily Restricted	2012 Total	2011 Total
<u>Public Support and Revenue</u>				
Contribution revenue				
Foundations	\$ 199,117	\$ 331,750	\$ 530,867	\$ 1,485,309
Unions	148,055	18,100	166,155	151,783
Religious organizations	113,259	43,643	156,902	182,776
Individuals	324,822	50,212	375,034	253,166
Corporations	64,833	100,946	165,779	68,559
Government	-	179,486	179,486	254,387
Honorarium	8,951	-	8,951	27,350
Intern sponsorship	-	45,768	45,768	49,500
Donated services	6,300	-	6,300	55,000
Donated materials	10,000	-	10,000	-
Conference income	825	-	825	153,832
Dividends and interest	2,872	-	2,872	3,434
Merchandise sales	3,445	-	3,445	8,515
Miscellaneous income	4,507	-	4,507	10,123
Net assets released from restriction - satisfaction of program restrictions	1,106,222	(1,106,222)	-	-
Total Public Support and Revenue	1,993,208	(336,317)	1,656,891	2,703,734
<u>Expenses</u>				
Program services	1,578,551	-	1,578,551	1,813,138
Management and general	204,899	-	204,899	365,767
Fundraising	310,591	-	310,591	306,820
Total Expenses	2,094,041	-	2,094,041	2,485,725
Change in Net Assets, before transfer	(100,833)	(336,317)	(437,150)	218,009
Net asset transfer - (see Note 10)	(52,821)	-	(52,821)	(15,054)
Change in Net Assets, after transfer	(153,654)	(336,317)	(489,971)	202,955
Net Assets, Beginning of Year	712,070	524,014	1,236,084	1,033,129
Net Assets, End of Year	\$ 558,416	\$ 187,697	\$ 746,113	\$ 1,236,084

See independent auditor's report and notes to financial statements.

INTERFAITH WORKER JUSTICE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2012 (with comparative totals for 2011)

	Program			Total Program	Management and General	Fundraising	2012 Total	2011 Total
	National Office	Southern Florida	Houston					
Functional Expenses								
Salaries and wages	\$ 537,514	\$ 39,000	\$ 104,329	\$ 680,843	\$ 109,273	\$ 194,818	\$ 984,934	\$ 1,006,018
Employee benefits and related taxes	151,869	2,203	10,890	164,962	30,874	55,044	250,880	261,836
Total salary and related expenses	689,383	41,203	115,219	845,805	140,147	249,862	1,235,814	1,267,854
Professional fees	49,574	3,364	10,215	63,153	24,452	2,721	90,326	96,955
Donated services	6,300	-	-	6,300	-	-	6,300	55,000
Grants to others	367,157	13,500	-	380,657	-	-	380,657	426,233
Occupancy	59,038	2,700	-	61,738	6,654	11,863	80,255	88,047
Insurance	5,367	-	1,196	6,563	1,091	1,945	9,599	7,060
Telephone	10,743	2,236	3,631	16,610	2,184	3,894	22,688	26,084
Supplies	7,889	879	2,464	11,232	9,187	512	20,931	31,071
Donated materials	10,000	-	-	10,000	-	-	10,000	-
Dues and subscriptions	529	-	-	529	3,961	88	4,578	14,503
Printing and publications	21,670	-	1,393	23,063	56	12,911	36,030	56,728
Postage and shipping	13,704	-	390	14,094	3,971	12,971	31,036	62,327
Conference and meetings	30,099	1,650	2,109	33,858	6,912	3,531	44,301	148,221
Travel	89,461	1,841	4,625	95,927	382	4,713	101,022	129,328
Fees	1,075	-	-	1,075	3,381	3,576	8,032	10,203
Depreciation	5,530	301	-	5,831	1,124	2,004	8,959	8,568
Bad debt expense	-	-	-	-	-	-	-	47,694
Miscellaneous	-	2,010	106	2,116	1,397	-	3,513	9,849
Total Expenses	\$ 1,367,519	\$ 69,684	\$ 141,348	\$ 1,578,551	\$ 204,899	\$ 310,591	\$ 2,094,041	\$ 2,485,725

See independent auditor's report and notes to financial statements.

**INTERFAITH WORKER JUSTICE
STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2012 (with comparative totals for 2011)

	<u>2012</u>	<u>2011</u>
<u>Cash Flows from Operating Activities</u>		
Cash received - contributions and conference	\$ 1,980,460	\$ 2,532,781
Cash received - dividends and interest	2,872	3,434
Cash received - merchandise sales	3,445	8,515
Cash received - miscellaneous income	4,507	10,123
Payments for wages and other operating activities	<u>(2,163,550)</u>	<u>(2,390,104)</u>
Net cash (used) provided by operating activities	<u>(172,266)</u>	<u>164,749</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property and equipment	<u>(1,248)</u>	<u>(11,878)</u>
Net (decrease) increase in cash and equivalents	(173,514)	152,871
Cash and equivalents, beginning of year	<u>753,499</u>	<u>600,628</u>
Cash and equivalents, end of year	<u><u>\$ 579,985</u></u>	<u><u>\$ 753,499</u></u>
<u>Reconciliation of Change in Net Assets to Net Cash (Used) Provided by Operating Activities</u>		
Change in net assets	\$ (437,150)	\$ 218,009
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Depreciation	8,959	8,568
Net asset transfer	(52,821)	(15,054)
Change in assets - (increase) decrease		
Contributions receivable	350,693	(126,662)
Other receivables	-	32,781
Prepaid expenses and other current assets	(8,759)	15,976
Change in liabilities - increase (decrease)		
Accounts payable	(30,029)	17,816
Accrued expenses	(2,684)	9,167
Funds held for others	<u>(475)</u>	<u>4,148</u>
Net cash (used) provided by operating activities	<u><u>\$ (172,266)</u></u>	<u><u>\$ 164,749</u></u>

See independent auditor's report and notes to financial statements.

INTERFAITH WORKER JUSTICE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Organization and Description of Program Services

Interfaith Worker Justice (IWJ) is a not-for-profit Illinois corporation exempt from Federal income taxes pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code. The Organization has offices in Chicago and Washington, DC. It is governed by a Board of Directors.

IWJ advances the rights of workers by engaging diverse faith communities into action, from grassroots organizing to shaping policy at the local, state and national levels. They envision a nation where all workers enjoy the rights to:

- Wages, health care, and pensions that allow workers to raise families and retire with dignity
- Safe working conditions
- Organize and bargain collectively to improve wages, benefits, and conditions without harassment, intimidation, or retaliation
- Equal protection under labor law - regardless of immigration status - and an end to the practice of pitting immigrant and U.S.-born workers against one another
- Fair and just participation in a global economy that promotes the welfare of both domestic and foreign workers

IWJ is a national organization that works to accomplish its mission with the following strategies:

- Public policy education and advocacy on issues that will improve the rights of working people;
- Support on worker campaigns that seek to improve wages and working conditions for those seeking to organize;
- Technical assistance and training to its network of more than 60 affiliated organizations;
- Programs for future religious leaders looking to gain practical experience in putting their faith in action for justice;
- Educational materials and resources for religious communities, leaders, congregations and individuals to support economic justice issues.

Income Tax Status

IWJ was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). Donations to IWJ qualify for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The tax exempt purpose of IWJ and the nature in which it operates is described above. IWJ continues to operate in compliance with its tax exempt purpose. IWJ's annual information and income tax returns filed with the federal and state governments are subject to examination for the statutory period.

INTERFAITH WORKER JUSTICE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Basis of Accounting

The accounts and financial statements are maintained on the accrual basis of accounting and accordingly, reflect all significant receivables and payables.

Basis of Presentation

IWJ reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets, as required by Generally Accepted Accounting Principles (GAAP).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Equivalents

Cash consists of bank and investment money market deposits in federally insured accounts. At December 31, 2012, the cash accounts exceeded federally insured limits by approximately \$74,000.

Contribution Receivables

IWJ considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If amounts become uncollectible, they are charged directly to operations when that determination is made.

Property and Equipment

Expenditures for property and equipment and items, which substantially increase the useful lives of existing assets, are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which is five years for equipment and ten for leasehold improvements.

Support and Revenue

Gifts of cash and other assets are recorded as restricted support if they are received with donor stipulations that limit the use of the 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.

INTERFAITH WORKER JUSTICE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Gifts of land, buildings, and equipment are recorded as unrestricted support unless 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 explicit donor stipulations regarding how long those long-lived assets must be maintained, IWJ reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Government Contributions and Grants

Support funded by government contracts, which qualify as conditional promises to give, are recognized when the condition of performing the contracted services is met. Revenue is therefore recognized as earned as performance related expenses are incurred and the conditions of eligibility are met. These expenditures are subject to audit and acceptance by the granting organization and, as a result of such audit, adjustments could be required.

Donated Services

Contributions of services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the year ending December 31, 2012, IWJ recorded donated writing and editing services valued at \$6,300.

In-Kind Contributions

In addition to receiving cash contributions, IWJ may receive in-kind contributions from various donors. The policy is to record the estimated fair market value of certain in-kind contributions as an expense in its financial statements, and similarly increase donations by a like amount. For the year ending December 31, 2012, IWJ recorded donated materials valued at \$10,000.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Certain Vulnerabilities and Concentrations

Total revenues for the year ended December 31, 2012, as reported in the Statement of Activities, amounted to \$1,656,891, of which 37% was from three sources. These revenues were primarily from two foundations and one government funding source through various development efforts.

**INTERFAITH WORKER JUSTICE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

Note 2 – Leases

IWJ leases facility space under non-cancelable operating lease arrangements expiring on various dates through December 2013. Rental expense for these leases, included in the Statement of Activities for the year ended December 31, 2012, was \$79,346. Future minimum payments, all scheduled in 2013, required under these operating leases are \$48,041.

Note 3 – Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2012 consist of the following:

Future periods, included in accounts receivable	\$ 160,642
Southern Florida IWJ	<u>27,055</u>
	<u>\$ 187,697</u>

Note 4 – Conditional Promises to Receive

At December 31, 2012, there is a conditional promise to receive of approximately \$161,000 from OSHA. The promise is conditional upon expenditures incurred through September 30, 2013. As a result of this condition, this promise is not yet recognized as an asset in the statement of financial position.

Note 5 – Lines of Credit

IWJ is obligated for credit cards issued in its name. At December 31, 2012, the total available line of credit related to these credit cards is \$41,100, of which \$1,423 is outstanding and included in accounts payable.

Note 6 – Note Receivable

IWJ executed an interest-free loan, documented with a written note, to ARISE Chicago, a prior fiscal agent. The terms of the note require equal installments of \$5,000 per year and is to be paid off by December 31, 2014. Management believes the note is fully collectible and as such, no allowance has been recorded at December 31, 2012.

Note 7 – Collective Bargaining Agreement

There is a labor contract in place with The National Organization of Legal Service Workers, which covers approximately 70% of IWJ's workforce. Covered employees are contracted through December 31, 2015.

**INTERFAITH WORKER JUSTICE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

Note 8 – Retirement Plan

IWJ has a 401(k) defined contribution plan for the benefit of its employees, allowing both employee and employer contributions. Contributions to the plan are made for employees with at least six months of service and at least 80 hours during those six months. Employer contributions are approved by the Board of Directors after negotiation with IWJ's staff union. IWJ contributed and expensed \$31,184 for the year ending December 31, 2012.

Note 9 – Board Designated Net Assets

During 2012, the Board of Directors set aside \$130,000 of reserves for 2013 expenses.

Note 10 – Net Asset Transfer

IWJ provided fiscal agent services for an entity, Houston Interfaith Worker Justice Center that obtained its own 501(c)(3) designation during 2012 and began operations as its own entity. Services continued until November 2, 2012, at which point the net assets and cash balance were transferred.

Note 11 – Subsequent Events

For the year ended December 31, 2012, management has evaluated subsequent events through March 1, 2013, which is the date the financial statements were available to be issued. No subsequent events have been identified that are required to be disclosed at that date.

Supplementary Information

INTERFAITH WORKER JUSTICE
COMBINING STATEMENT OF FINANCIAL POSITION
December 31, 2012

	National Office	Houston	Southern Florida	Total
<u>Assets</u>				
Current Assets				
Cash and equivalents	\$ 545,643	\$ -	\$ 34,342	\$ 579,985
Contribution receivables	161,761	-	-	161,761
Government receivables	6,243	-	-	6,243
Other receivables	1,427	-	-	1,427
Prepays	23,353	-	-	23,353
Notes receivable	10,000	-	-	10,000
Total current assets	<u>748,427</u>	<u>-</u>	<u>34,342</u>	<u>782,769</u>
Property and Equipment				
Leasehold improvements	22,982	-	-	22,982
Furniture and equipment	177,886	-	1,505	179,391
Less accumulated depreciation	<u>(186,686)</u>	<u>-</u>	<u>(451)</u>	<u>(187,137)</u>
Net property and equipment	<u>14,182</u>	<u>-</u>	<u>1,054</u>	<u>15,236</u>
Notes receivable, net of current portion	5,000	-	-	5,000
Due from (to) intercompany	<u>6,221</u>	<u>-</u>	<u>(6,221)</u>	<u>-</u>
Total Assets	<u>\$ 773,830</u>	<u>\$ -</u>	<u>\$ 29,175</u>	<u>\$ 803,005</u>
<u>Liabilities and Net Assets</u>				
Current Liabilities				
Accounts payable	\$ 4,562	\$ -	\$ -	\$ 4,562
Accrued payroll	48,657	-	-	48,657
Funds held for others	<u>3,673</u>	<u>-</u>	<u>-</u>	<u>3,673</u>
Total liabilities	<u>56,892</u>	<u>-</u>	<u>-</u>	<u>56,892</u>
Net Assets				
Unrestricted	426,296	-	2,120	428,416
Unrestricted - board designated	130,000	-	-	130,000
Temporarily restricted	<u>160,642</u>	<u>-</u>	<u>27,055</u>	<u>187,697</u>
Total net assets	<u>716,938</u>	<u>-</u>	<u>29,175</u>	<u>746,113</u>
Total Liabilities and Net Assets	<u>\$ 773,830</u>	<u>\$ -</u>	<u>\$ 29,175</u>	<u>\$ 803,005</u>

See independent auditor's report and notes to financial statements.

**INTERFAITH WORKER JUSTICE
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012**

	National Office			Houston			Southern Florida			Eliminations		Combined		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue														
Contribution revenue														
Foundations	\$ 199,117	\$ 296,250	\$ 495,367	\$ -	\$ 35,500	\$ 35,500	\$ -	\$ 28,725	\$ 28,725	\$ -	\$ (28,725)	\$ 199,117	\$ 331,750	\$ 530,867
Unions	148,055	15,000	163,055	-	3,100	3,100	-	-	-	-	-	148,055	18,100	166,155
Religious organizations	113,259	-	113,259	-	8,643	8,643	-	35,000	35,000	-	-	113,259	43,643	156,902
Individuals	324,822	45,642	370,464	-	4,570	4,570	-	-	-	-	-	324,822	50,212	375,034
Corporations	64,833	-	64,833	-	88,446	88,446	-	19,000	19,000	-	(6,500)	64,833	100,946	165,779
Government	-	162,714	162,714	-	38,022	38,022	-	-	-	-	(21,250)	-	179,486	179,486
Honorarium	8,951	-	8,951	-	-	-	-	-	-	-	-	8,951	-	8,951
Intern sponsorship	-	45,768	45,768	-	-	-	-	-	-	-	-	-	45,768	45,768
Donated services	6,300	-	6,300	-	-	-	-	-	-	-	-	6,300	-	6,300
Donated materials	10,000	-	10,000	-	-	-	-	-	-	-	-	10,000	-	10,000
Conference income	825	-	825	-	-	-	-	-	-	-	-	825	-	825
Dividends and interest	2,763	-	2,763	81	-	81	28	-	28	-	-	2,872	-	2,872
Merchandise sales	3,445	-	3,445	-	-	-	-	-	-	-	-	3,445	-	3,445
Miscellaneous income	12,494	-	12,494	-	-	-	-	-	-	(7,987)	-	4,507	-	4,507
Net assets released from restriction - satisfaction of program restrictions	914,732	(914,732)	-	178,281	(178,281)	-	69,684	(69,684)	-	(56,475)	56,475	1,106,222	(1,106,222)	-
Total Public Support and Revenue	1,809,596	(349,358)	1,460,238	178,362	-	178,362	69,712	13,041	82,753	(64,462)	-	1,993,208	(336,317)	1,656,891
Expenses														
Program services	1,425,481	-	1,425,481	141,348	-	141,348	69,684	-	69,684	(57,962)	-	1,578,551	-	1,578,551
Management and general	211,399	-	211,399	-	-	-	-	-	-	(6,500)	-	204,899	-	204,899
Fundraising	310,591	-	310,591	-	-	-	-	-	-	-	-	310,591	-	310,591
Total Expenses	1,947,471	-	1,947,471	141,348	-	141,348	69,684	-	69,684	(64,462)	-	2,094,041	-	2,094,041
Change in Net Assets, before transfer	(137,875)	(349,358)	(487,233)	37,014	-	37,014	28	13,041	13,069	-	-	(100,833)	(336,317)	(437,150)
Net asset transfer - see Note 8	-	-	-	(52,821)	-	(52,821)	-	-	-	-	-	(52,821)	-	(52,821)
Change in Net Assets, after transfer	(137,875)	(349,358)	(487,233)	(15,807)	-	(15,807)	28	13,041	13,069	-	-	(153,654)	(336,317)	(489,971)
Net Assets, Beginning of Year	694,171	510,000	1,204,171	15,807	-	15,807	2,092	14,014	16,106	-	-	712,070	524,014	1,236,084
Net Assets, End of Year	\$ 556,296	\$ 160,642	\$ 716,938	\$ -	\$ -	\$ -	\$ 2,120	\$ 27,055	\$ 29,175	\$ -	\$ -	\$ 558,416	\$ 187,697	\$ 746,113

See independent auditor's report and notes to financial statements.