

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
ANNUAL FINANCIAL REPORT
FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Assistance League of Atlanta, Georgia, Inc.
3534 Broad Street
Chamblee, Georgia 30341

We have audited the accompanying statements of financial position of Assistance League of Atlanta, Georgia, Inc. (a nonprofit organization) as of May 31, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years 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.

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 Assistance League of Atlanta, Georgia, Inc. as of May 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

James L. Whitaker, P.C.

Snellville, Georgia
August 3, 2009

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
STATEMENT OF FINANCIAL POSITION
MAY 31, 2009
WITH COMPARATIVE TOTALS FOR 2008

	2009	2008
ASSETS		
Cash and cash equivalents (Note B)	\$ 191,767	\$ 162,664
Investments (Note C)	475,358	507,924
Accrued interest receivable	3,010	2,820
Promises to give (Note D)	-	-
Inventory (Note H)	148,301	121,154
Prepaid expenses	11,899	11,553
Property and equipment (Note E)	1,117,105	1,125,272
TOTAL ASSETS	\$ 1,947,440	\$ 1,931,387
 LIABILITIES		
Accounts payable	\$ 11,639	\$ 14,451
Accrued expenses	7,004	6,699
Deferred revenues	18,958	18,355
TOTAL LIABILITIES	37,601	39,505
 NET ASSETS (Note F)		
Unrestricted	1,909,839	1,836,124
Temporarily restricted	-	55,758
TOTAL NET ASSETS	1,909,839	1,891,882
TOTAL LIABILITIES AND NET ASSETS	\$ 1,947,440	\$ 1,931,387

The accompanying notes are an integral part of these financial statements.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2009
WITH COMPARATIVE TOTALS FOR 2008

	YEAR ENDED MAY 31, 2009			TOTALS
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL	YEAR ENDED MAY 31, 2008
SUPPORT AND REVENUES				
Fundraising				
Contributions of merchandise	\$ 451,209	\$ -	\$ 451,209	\$ 419,422
Sales of donated items	423,462	-	423,462	417,869
Less: Value of merchandise sold	<u>(423,462)</u>	<u>-</u>	<u>(423,462)</u>	<u>(417,869)</u>
Net revenue from thrift shop	451,209	-	451,209	419,422
Membership dues	19,650	-	19,650	16,980
Donations and memorials	12,298	8,132	20,430	160,845
Gifts in-kind	3,405	-	3,405	18,978
Investment Return	18,386	-	18,386	18,955
Miscellaneous	3,304	-	3,304	-
Net assets released from restrictions				
Restrictions satisfied by payments	<u>63,890</u>	<u>(63,890)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	<u>572,142</u>	<u>(55,758)</u>	<u>516,384</u>	<u>635,180</u>
EXPENSES				
Program services				
Operation School Bell	213,594	-	213,594	223,828
Links to Education	50,707	-	50,707	52,061
Operation New Beginnings	44,199	-	44,199	45,527
Wee Help	24,547	-	24,547	25,126
Bears for Children	35,020	-	35,020	35,716
Shepherd Center Patient Support	5,572	-	5,572	9,831
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,829</u>
Total program service expenses	<u>373,639</u>	<u>-</u>	<u>373,639</u>	<u>403,918</u>
Supporting services				
Fund-raising				
Thrift Shop	96,002	-	96,002	97,710
Management and general	17,154	-	17,154	15,783
Membership development	<u>11,632</u>	<u>-</u>	<u>11,632</u>	<u>11,208</u>
Total supporting service expenses	<u>124,788</u>	<u>-</u>	<u>124,788</u>	<u>124,701</u>
TOTAL EXPENSES	<u>498,427</u>	<u>-</u>	<u>498,427</u>	<u>528,619</u>
CHANGE IN NET ASSETS	73,715	(55,758)	17,957	106,561
NET ASSETS - BEGINNING OF YEAR	<u>1,836,124</u>	<u>55,758</u>	<u>1,891,882</u>	<u>1,785,321</u>
NET ASSETS - END OF YEAR	<u>\$ 1,909,839</u>	<u>\$ -</u>	<u>\$ 1,909,839</u>	<u>\$ 1,891,882</u>

The accompanying notes are an integral part of these financial statements.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MAY 31, 2009
WITH COMPARATIVE TOTALS FOR 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 17,957	\$ 106,561
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	36,664	32,660
(Gain) Loss on disposition of assets	-	-
(Increase) decrease in operating assets		
Inventory	(27,147)	(15,411)
Prepaid expenses	(346)	(2,813)
Promises to give	-	10,000
Accrued interest receivable	(190)	1,769
Increase (decrease) in liabilities		
Accounts payable	(2,812)	2,859
Accrued expenses	305	1,493
Deferred revenues	603	2,900
NET CASH PROVIDED BY OPERATING ACTIVITIES	25,034	140,018
 CASH FLOWS FROM INVESTING ACTIVITIES		
Short-term investments, net	32,566	(147,343)
Construction/purchase of fixed assets	(28,497)	(45,688)
NET CASH FLOWS FROM INVESTING ACTIVITIES	4,069	(193,031)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Building fund collections	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	-
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29,103	(53,013)
 BEGINNING CASH AND CASH EQUIVALENTS	162,664	215,677
 ENDING CASH AND CASH EQUIVALENTS	\$ 191,767	\$ 162,664
 OTHER DISCLOSURES:		
Interest Paid	\$ -	\$ -
Taxes	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2009

	PROGRAM SERVICES										SUPPORTING SERVICES				
	Operation School Bell	Links to Education	New Beginnings	Wee Help	Bears For Children		Shepherd's Cr Patient Support	Other Programs	Total Program Services	Fundraising Thrift Shop	Management and General	Membership Development	Total Supporting Services	Total Expenses	
					For Children	For Children									
Bank charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Business licenses	36	-	4	68	4	4	2	-	94	30	-	-	124	174	
Committee expense	2,186	-	-	-	-	-	-	-	-	-	(8)	98	90	2,344	
Contract labor	10,781	-	738	738	738	738	388	-	27,238	3,251	-	-	30,489	43,872	
Depreciation	11,040	-	1,450	1,178	1,450	1,450	709	-	18,808	2,029	-	-	20,837	36,664	
Education	684	400	400	400	400	400	400	-	685	2,789	-	-	3,474	6,158	
Hospitality	-	-	-	-	-	-	-	-	-	-	-	1,306	1,306	1,306	
Insurance	6,091	-	357	357	357	357	173	-	7,134	780	-	-	7,914	15,249	
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
NAL dues	-	-	-	-	-	-	-	-	-	-	-	8,679	8,679	8,679	
New member activities	-	-	-	-	-	-	-	-	-	-	-	754	754	754	
Newsletter	6	6	6	6	6	6	6	-	6	50	-	-	56	92	
Office supplies	1,734	25	159	573	1,096	33	-	-	7,623	3,016	-	-	10,639	14,250	
Officer's expense	-	-	-	-	-	-	-	-	-	265	-	154	419	419	
Professional fee	1,731	-	198	198	198	97	-	-	4,601	462	-	-	5,063	7,485	
Program supplies and materials	170,382	-	36,467	20,010	29,756	3,131	-	-	974	-	-	-	974	260,730	
Public relations	646	276	276	276	276	276	276	-	1,436	1,136	319	-	2,881	4,907	
Repairs and maintenance	1,112	-	129	129	129	63	-	-	7,896	265	-	-	8,161	9,723	
Scholarships	-	50,000	-	-	-	-	-	-	-	598	-	-	598	50,598	
Security system	151	-	18	18	18	8	-	-	354	39	-	-	393	606	
Utilities	5,062	-	592	592	592	286	-	-	11,982	1,299	-	-	13,281	20,405	
Year book	-	-	-	-	-	-	-	-	-	-	-	322	322	322	
Fuel	1,952	-	-	-	-	-	-	-	-	-	-	-	-	1,952	
Fundraising	-	-	-	-	-	-	-	-	-	1,163	-	-	1,163	1,163	
Gifts in-kind	-	-	3,405	-	-	-	-	-	-	-	-	-	-	3,405	
Total	\$ 213,594	\$ 50,707	\$ 44,199	\$ 24,547	\$ 35,020	\$ 5,572	\$ -	\$ 373,639	\$ 96,002	\$ 17,154	\$ 11,632	\$ 124,788	\$ 498,427		

The accompanying notes are an integral part of these financial statements.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2008

	PROGRAM SERVICES										SUPPORTING SERVICES			
	Operation School Bell	Links to Education	New Beginnings	Wee Help	Bears For Children	Shepherd Ctr Patient Support	Other Programs	Total Program Services	Fundraising Thrift Shop	Management and General	Membership Development	Total Supporting Services	Total Expenses	
Bank charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,568	\$ -	\$ -	\$ 6,568	\$ 6,568	
Business licenses	36	-	4	4	4	2	50	85	39	-	-	124	174	
Committee expense	1,703	-	-	-	-	-	1,703	-	884	718	-	1,602	3,305	
Contract labor	7,372	-	771	771	771	397	10,082	26,175	1,999	-	-	28,174	38,256	
Depreciation	8,263	-	973	973	973	489	11,671	18,869	2,099	-	-	20,988	32,659	
Education	1,400	1,400	1,400	1,400	1,400	1,400	8,400	1,400	2,544	2,219	-	6,163	14,563	
Hospitality	-	-	-	-	-	-	-	-	718	790	-	1,508	1,508	
Insurance	4,610	-	472	472	472	228	6,254	7,304	842	-	-	8,236	14,490	
Miscellaneous	-	-	147	-	-	-	147	-	-	250	-	250	397	
NAL dues	-	-	-	-	-	-	-	-	-	6,175	-	6,175	6,175	
New member activities	-	-	-	-	-	-	-	-	59	295	-	354	354	
Newsletter	-	-	-	-	-	-	-	-	-	-	-	-	-	
Office supplies	1,655	32	140	140	140	128	2,235	1,215	2,157	-	-	3,372	5,607	
Officer's expense	-	-	-	-	-	-	-	-	789	32	-	821	821	
Professional fee	1,731	-	202	202	202	97	2,434	4,066	452	-	-	4,518	6,952	
Program supplies and materials	185,902	-	36,452	19,671	30,262	5,948	278,235	8,219	-	-	-	8,219	286,454	
Public relations	885	629	629	629	629	629	4,030	879	1,103	456	-	2,438	6,468	
Repairs and maintenance	1,529	-	178	179	178	82	2,146	6,677	404	-	-	7,081	9,227	
Scholarships	-	50,000	-	-	-	-	50,000	-	-	-	-	-	50,000	
Security system	83	-	10	10	10	5	118	554	22	-	-	576	694	
Utilities	5,799	-	675	675	675	326	8,150	15,589	1,672	-	-	17,261	25,411	
Year book	-	-	-	-	-	-	-	-	-	273	-	273	273	
Gifts in-kind	2,860	-	3,474	-	-	100	11,829	18,263	-	-	-	-	18,263	
	\$ 223,828	\$ 52,061	\$ 45,527	\$ 25,126	\$ 35,716	\$ 9,831	\$ 11,829	\$ 97,710	\$ 15,783	\$ 11,208	\$ 124,701	\$ 528,619		

The accompanying notes are an integral part of these financial statements.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2009 AND 2008

NOTE A—NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Assistance League of Atlanta, Georgia, Inc. is a nonprofit corporation and is a chartered chapter of National Assistance League. A brief description of ALA's programs follows:

- * Operation School Bell provides new clothing and shoes to elementary school students in the metro Atlanta area.
- * Bears for Children provides stuffed toy bears to police departments and hospitals which in turn are given to traumatized children.
- * Wee Help provides clothing and blankets to infants at high risk in various hospitals.
- * New Beginnings provides aid to homeless, troubled and abused women, men and children at several area facilities.
- * Through Shepherd Center Patient Support, ALA members purchase and deliver new clothing suitable for rehabilitative therapy to the nationally recognized hospital. Patients are visited on their birthdays and receive a gift.
- * Links to Education provides funding for scholarships at various Georgia Institutions of higher education.

Promises To Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior year experience and management's analysis of specific promises made.

Donated Materials and Services

Significant materials are donated to the chapter by various individuals and other organizations. Donated materials of \$451,209 are reflected in the accompanying financial statements at their fair values at the date of donation. The donated materials consist primarily of used clothing and household items donated by chapter members and others for resale by a thrift shop operated by the chapter. Donated materials received by the chapter which are then donated to other area facilities that provide aid to individuals are considered "Gifts in-kind".

In addition, a significant portion of the chapter's program service, fundraising and administrative functions are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended May 31, 2009, these volunteers donated approximately 52,492 hours with an estimated value of \$1,077,661. This value was computed using an estimated hourly rate of \$20.53, which is based upon the average hourly earnings of nonagricultural workers for the time period of \$18.33, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, plus 12% for estimated fringe benefits.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS - (Continued):

NOTE A--NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - (Continued):

Estimates

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

Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property is capitalized at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives as follows:

Automobiles	5 to 10 Years
Buildings	40 Years
Office furniture	3 to 5 Years
Other equipment	5 Years

Financial Statement Presentation

The Organization has adopted 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. In addition, the Organization is required to present a statement of cash flows.

Contributions

The Organization has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." The Organization previously recorded restricted contributions as deferred revenue until the restriction had been satisfied. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Basis of Accounting

The Organization uses the accrual basis of accounting whereby revenues are recorded when earned rather than when received and expenses are reported when incurred rather than when paid.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS - (Continued):

NOTE A—NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES -(Continued):

Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organization is also exempt from state income taxes.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Deferred Revenues

Membership dues collected prior to the fiscal year to which they apply are deferred and recognized over the periods to which the dues relate.

Concentration of Credit and Market Risk

Financial instruments that potentially expose the Organization to concentrations of credit risk consist primarily of cash, cash equivalents and investments of certificates of deposit with a maturity of three months or more from the date of purchase. These assets are maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At May 31, 2009, the Organization's deposits did not exceed the available FDIC insurance. The Organization has not experienced any material losses on its cash, cash equivalents or investments.

Inventory

The Organization maintains an inventory of new clothing and shoes for use in its Operation School Bell program which is stated at lower of cost or market determined by the first-in, first-out method. The Organization also maintains an inventory of used clothing and household items donated by members and others for resale by a thrift shop operated by the Organization which is stated at its estimated fair value.

Expense Allocation

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.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS - (Continued):

NOTE B—CASH AND CASH EQUIVALENTS

Cash and cash equivalents at May 31, 2009 and 2008 consist of the following:

	<u>2009</u>	<u>2008</u>
Checking accounts - Wachovia	\$ 80,248	\$ 26,905
Savings accounts - Wachovia money market account	77,852	82,688
BB&T money market account	32,592	51,996
Total savings accounts	<u>110,444</u>	<u>134,684</u>
Petty cash	<u>1,075</u>	<u>1,075</u>
Total cash and cash equivalents	<u>\$ 191,767</u>	<u>\$ 162,664</u>

NOTE C—INVESTMENTS

Investments at May 31, 2009 consist of the following:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Suntrust	\$ 56,474	3.73%	11/18/09
Bank of North Georgia	61,174	2.42%	3/22/10
Fifth Third Bank	72,744	3.92%	6/19/11
BB&T	54,893	1.99%	7/22/09
Bank of America	95,379	3.25%	8/7/09
Ironstone	66,564	2.25%	3/12/10
Fidelity Bank	<u>68,130</u>	3.00%	8/8/10
	<u>\$ 475,358</u>		

Investments at May 31, 2008 consisted of certificates of deposit in the amount of \$507,924.

NOTE D—PROMISES TO GIVE

Unconditional promises to give consist of the following as of May 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Unrestricted contributions	\$ -	\$ -
Less unamortized discount	-	-
	<u>\$ -</u>	<u>\$ -</u>
Amounts due in:		
Less than one year	\$ -	\$ -
One to five years	-	-
	<u>\$ -</u>	<u>\$ -</u>

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 6%.

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS - (Continued):

NOTE E--PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of May 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Land	\$ 249,621	\$ 249,621
Automobiles	82,169	69,950
Building	1,041,019	1,041,019
Other equipment	16,730	4,100
Office furniture	<u>54,588</u>	<u>50,940</u>
Total	1,444,127	1,415,630
Accumulated depreciaton	<u>(327,022)</u>	<u>(290,358)</u>
	 <u>\$ 1,117,105</u>	 <u>\$ 1,125,272</u>

NOTE F--NET ASSETS

At May 31, 2009 and 2008, net assets were restricted by donors or designated by the chapter as follows:

	<u>2009</u>	<u>2008</u>
Unrestricted net assets:		
Designated for future operating needs	\$ 441,955	\$ 467,955
Designated for building reserve account	185,000	155,000
Undesignated	<u>1,282,884</u>	<u>1,213,169</u>
Total unrestricted net assets	<u>1,909,839</u>	<u>1,836,124</u>
Temporarily restricted assets:		
Purchase of property and equipment	<u>-</u>	<u>55,758</u>
Total net assets	<u>\$ 1,909,839</u>	<u>\$ 1,891,882</u>

(See Independent Auditor's Report)

ASSISTANCE LEAGUE OF ATLANTA, GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS - (Continued):

NOTE G--FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

Cash and cash equivalents, accounts and interest receivable, promises to give to be received in less than one year: The carrying amounts reported in the Statement of Financial Position approximate fair values.

Promises to give due in more than one year: Fair value estimated based on future cash flows discounted 6%.

Investments: The fair values, which are amounts reported in the Statement of Financial Position, are based on quoted market prices. The organization held Certificates of Deposit as its only investments.

The carrying amounts and estimated fair values of the Organization's financial instruments, none of which are held for trading purposes, at May 31, 2009, are as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Financial assets:		
Cash and cash equivalents	\$ 191,767	\$ 191,767
Investments	475,358	475,358
Promises to give	-	-

NOTE H--INVENTORY

Inventories at May 31, 2009 and 2008 consist of the following:

	<u>2009</u>	<u>2008</u>
Materials and supplies for use in the following programs:		
Operation School Bell	\$ 27,710	\$ 35,269
Bears For Children	3,943	171
Wee Help	1,972	328
Shepherd Center	375	270
New Beginnings	980	45
Used clothing and household items held for resale at thrift shop	<u>113,321</u>	<u>85,071</u>
	<u>\$ 148,301</u>	<u>\$ 121,154</u>

(See Independent Auditor's Report)