

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

FINANCIAL STATEMENTS

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

December 31, 2009

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To the Board of Directors
Laurel Area Interfaith Volunteer Caregivers, Inc.
Latrobe, Pennsylvania

We have reviewed the accompanying comparative statement of financial position of Laurel Area Interfaith Volunteer Caregivers, Inc. (a non-profit corporation) as of December 31, 2009 and 2008, and the related comparative statement of activities, comparative statement of functional expenses, and comparative statement of cash flows for the years then ended in accordance with Statement of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Management of Laurel Area Interfaith Volunteer Caregivers, Inc.

A review consists principally of inquiries of the Corporation's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

May 7, 2010

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS - FAITH IN ACTION

COMPARATIVE STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2009 AND DECEMBER 31, 2008

	<u>December 31, 2009</u>	<u>December 31, 2008</u>
ASSETS:		
Cash and Cash Equivalents	\$ 77,167	\$ 37,668
Donations Receivable	-	-
Prepays	264	279
Property and Equipment (Net of Accumulated Depreciation of \$5,135)	2,323	2,652
Certificate of Deposit - 1 Year Maturity	-	16,185
PA UE Bond	381	381
Israel Bond	475	317
TOTAL ASSETS	<u>\$ 80,610</u>	<u>\$ 57,482</u>
LIABILITIES AND NET ASSETS:		
Accounts Payable	\$ 703	\$ -
Accrued Liabilities	287	477
TOTAL LIABILITIES	<u>990</u>	<u>477</u>
NET ASSETS:		
Unrestricted	71,720	55,322
Temporarily Restricted	7,500	1,383
Permanently Restricted	400	300
TOTAL NET ASSETS	<u>79,620</u>	<u>57,005</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 80,610</u>	<u>\$ 57,482</u>

See accompanying notes and Accountants' Report.

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS - FAITH IN ACTION
 COMPARATIVE STATEMENT OF ACTIVITIES
 FOR THE YEARS ENDED DECEMBER 31, 2009 AND DECEMBER 31, 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	December 31, 2009	December 31, 2008
Revenue, Gains, and Other Support:					
Churches	\$ 6,365	\$ -	\$ -	\$ 6,365	\$ 7,183
Businesses	250	-	-	250	729
Foundations	30,150	7,500	-	37,650	24,500
Other Organizations	23,925	-	-	23,925	20,738
Individuals	12,093	-	100	12,193	4,650
Fundraising	9,495	-	-	9,495	7,675
Memorials	2,905	-	-	2,905	1,265
In-Kind Revenue	21,210	-	-	21,210	18,477
Miscellaneous Income	415	-	-	415	819
Unrealized Gains (Losses)	438	-	-	438	-
Interest Income	767	-	-	767	1,135
Net Released From Restrictions:					
Satisfaction of Purpose Restrictions	1,383	(1,383)	-	-	-
Total Revenue, Gains, and Other Support	<u>109,396</u>	<u>6,117</u>	<u>100</u>	<u>115,613</u>	<u>87,171</u>
Expenses and Losses:					
Program Expenses	75,105	-	-	75,105	74,254
Management and General Expenses	8,938	-	-	8,938	8,766
Fund Raising Expenses	8,955	-	-	8,955	8,410
Total Expenses and Losses	<u>92,998</u>	<u>-</u>	<u>-</u>	<u>92,998</u>	<u>91,431</u>
Changes in Net Assets	16,398	6,117	100	22,615	(4,260)
Net Assets at Beginning of Year	<u>55,322</u>	<u>1,383</u>	<u>300</u>	<u>57,005</u>	<u>61,265</u>
Net Assets at End of Year	<u>\$ 71,720</u>	<u>\$ 7,500</u>	<u>\$ 400</u>	<u>\$ 79,620</u>	<u>\$ 57,005</u>

See accompanying notes and Accountants' Report.

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS - FAITH IN ACTION

COMPARATIVE STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2009 AND DECEMBER 31, 2008

	December 31, 2009				December 31, 2008			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries - Executive Director	\$ 26,800	\$ 3,350	\$ 3,350	\$ 33,500	\$ 26,720	\$ 3,340	\$ 3,340	\$ 33,401
Salaries - Finance Administrator	90	480	30	600	98	520	33	650
Salaries - Program Coordinator	9,418	-	-	9,418	5,450	-	-	5,450
Salaries - NCOA Participants (In-Kind)	15,210	-	-	15,210	12,477	-	-	12,477
Payroll Tax - PA Unemployment	36	7	2	45	40	7	2	50
Payroll Tax - FICA	2,664	500	167	3,331	2,418	453	151	3,022
Worker's Compensation	133	16	8	157	297	35	17	349
Computer Expense	158	9	8	175	673	37	37	747
Criminal Background Expense	204	-	-	204	225	-	-	225
Depreciation	-	928	-	928	1,429	-	-	1,429
Insurance Expense	1,107	130	65	1,302	710	84	42	835
Dues	186	279	-	465	55	82	-	137
Facilities	497	28	28	553	389	22	22	433
Fees	-	91	-	91	-	-	-	-
Fundraising Expense	1,364	-	4,092	5,456	1,198	-	3,594	4,792
Telephone and Internet	1,220	68	67	1,355	1,235	69	69	1,373
Marketing	2,125	398	133	2,656	927	176	56	1,159
Mileage Reimburse	222	-	-	222	247	-	-	247
Miscellaneous	148	8	9	165	-	-	-	-
Postage	1,078	67	202	1,347	728	46	137	910
Printing and Copying	361	23	68	452	120	8	23	150
Professional Fees	113	1,913	225	2,251	175	2,975	350	3,500
Rent and Utilities (\$6,000 In-Kind)	7,200	400	400	8,000	7,020	390	390	7,800
Supplies	678	19	56	753	555	15	46	617
Training	2,843	-	-	2,843	9,177	-	-	9,177
Travel	627	224	45	896	1,423	508	102	2,032
Volunteer Recognition	623	-	-	623	468	-	-	468
TOTALS	\$ 75,105	\$ 8,938	\$ 8,955	\$ 92,998	\$ 74,254	\$ 8,766	\$ 8,410	\$ 91,431

See accompanying notes and Accountants' Report.

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS - FAITH IN ACTION

COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND DECEMBER 31, 2008

	<u>December 31, 2009</u>	<u>December 31, 2008</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 22,615	\$ (4,260)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) Provided by Operating Activities:		
Depreciation and Amortization	928	1,429
(Increase) Decrease in Prepaid Expenses	15	7,500
(Increase) Decrease in Accounts Payable	703	69
Increase (Decrease) in Accruals	<u>(190)</u>	<u>(1,025)</u>
Total Adjustments	<u>1,456</u>	<u>7,973</u>
Net Cash (Used) Provided by Operating Activities	24,072	3,713
Cash Flows from Investing Activities:		
Purchase Fixed Assets	(600)	-
Sale of Investments	16,185	-
Purchase Investments	<u>(158)</u>	<u>(772)</u>
Net Cash (Used) Provided by Investing Activities	15,427	(772)
Net Cash (Used) Provided by Financing	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	39,499	2,941
Cash and Cash Equivalents at Beginning of Year	<u>37,668</u>	<u>34,727</u>
Cash and Cash Equivalents at End of Year	<u>\$ 77,167</u>	<u>\$ 37,668</u>
Interest Paid	\$ -	
Income Taxes Paid	\$ -	

See accompanying notes and Accountants' Report.

NOTES TO FINANCIAL STATEMENTS

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

December 31, 2009

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Laurel Area Interfaith Volunteer Caregivers, Inc. is presented to assist in understanding the Corporation's financial statements. The financial statements and notes are representations of the Corporation's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Operations

Laurel Area Interfaith Volunteer Caregivers, Inc. is a non-profit corporation established to bring together members of the local faith community with others to help isolated elderly people. The mission of Faith in Action is to enhance the quality of life for persons 60 years and older who reside in the Greater Latrobe and Ligonier areas by providing companionship and assistance. Revenues are derived mainly from contributions, grants, and special appeals to individuals, businesses, local churches and community organizations. Expenditures are made to enhance the quality of life for seniors in the Greater Latrobe and Ligonier areas.

Donor Imposed Restrictions

All contributions and unconditional promises to give are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Corporation reports the support as unrestricted.

Revenue and Expense Recognition

The financial statements of the Laurel Area Interfaith Volunteer Caregivers, Inc. have been prepared on the accrual basis. Under this method revenues are recognized when earned and expenses are recognized when incurred. Contributions of non-cash assets are recorded at their fair values in the period received.

NOTES TO FINANCIAL STATEMENTS

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

December 31, 2009

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation

The Corporation has adopted Statement of Financial Accounting Standards (SFAS) No.117 “Financial Statements for Not-For-Profit Organizations”. Under SFAS 117, the Corporation 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 represent the receiving of unrestricted contributions, receipt of interest earned on investments and fees received for providing services less expenses for providing programs, management services and fundraising. Temporary restricted net assets represent support designated by the donor for a particular operating activity, investment for a specified term designated by the donor for a particular operating activity, investment for a specified term, use in a specified future period, or acquisition of property or equipment. Permanently restricted net assets represent assets, such as works of art or land, donated with the stipulation that they be used for a specified purpose and not be sold, or restricted contributions donated with stipulations that they be invested to provide a permanent source of income commonly known as an endowment fund. Laurel Area Interfaith Volunteer Caregivers, Inc. is required to present a statement of cash flows. As permitted by the statement, the Corporation does not use functional accounting.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All information included in this schedule is the representation of the management of the Laurel Area Interfaith Caregivers, Inc.

Cash and Cash Equivalents

The Corporation considers all short-term investments with a maturity of three months or less to be cash equivalents. Cash consists of the following:

Westmoreland Federal Savings	\$ 10,564
Westmoreland Federal Checking	\$ 29,822
Certificate of Deposit - Maturity, February 13, 2010	\$ 16,360
Laurel Area Faith in Action Fund with The Community Foundation of Westmoreland County	\$ 20,421

NOTES TO FINANCIAL STATEMENTS

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

December 31, 2009

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unconditional Promises to Give

Unconditional Promises to Give consist of the following:

	<u>2009</u>	<u>2008</u>
Unrestricted Promises	\$ -0-	\$ -0-
Temporarily Restricted	-0-	-0-
Permanently Restricted	<u>-0-</u>	<u>-0-</u>
Total Unconditional Promises to Give	<u>\$ -0-</u>	<u>\$ -0-</u>

Property and Equipment

Property and Equipment are carried at book value, less accumulated depreciation. Depreciation of property and equipment is provided using the straight-line method at rates based on the following estimated useful lives:

Furniture and Fixtures	5 years and 7 years
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Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the period ended December 31, 2009 and December 31, 2008 is \$928 and \$1,429 respectively.

Income Taxes

On November 21, 2006, The Corporation received a final Determination Letter confirming their non-profit status under Section 501(c)(3). The Corporation is also registered with the Pennsylvania Department of State, Bureau of Charitable Organizations.

NOTES TO FINANCIAL STATEMENTS

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

December 31, 2009

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of 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.

NOTE B—IN-KIND TRANSACTIONS

Laurel Area Interfaith Volunteer Caregivers, Inc. leases office space from the United Church of Christ at less than fair market value. Use of the office space has not been promised for a specified period of time and there are no formal lease terms. The organization pays \$2,000 annually to the United Church of Christ to help cover the cost of utilities. Laurel Area Interfaith Volunteer Caregivers, Inc. estimates the fair market value of the office space, including utilities, at \$8,000 per year. The estimated fair value of the in-kind donation for year 2009 is \$6,000, and is reported as support and expense in the period in which the premises are used.

Laurel Area Interfaith Volunteer Caregivers, Inc. has three (3) in-kind employees in 2009. The employees are provided through a program at Westmoreland County Community College through the Area Agency on Aging, which pays all associated employee costs. Laurel Area Interfaith Volunteer Caregivers, Inc. has been designated a training facility for this program that re-trains seniors for higher paying jobs. An agreement is signed every six (6) months to continue the arrangement that provides up to two (2) employees at one time for twenty (20) hours per week. The amount that was paid to these in-kind employees was \$15,209.80 for 2009. In order to recognize this in-kind transaction, contribution revenue in the amount of \$15,209.80 has been recorded in 2009, with offsetting salary expense in the same amount.

Laurel Area Interfaith Volunteer Caregivers, Inc. relies on the assistance of approximately 243 volunteers to provide companionship and assistance to program recipients. The fair value of these volunteer services is indeterminable and; therefore, has not been reflected in the financial statements.

NOTES TO FINANCIAL STATEMENTS

LAUREL AREA INTERFAITH VOLUNTEER CAREGIVERS, INC.

December 31, 2009

NOTE C—RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purpose and periods:

	<u>2009</u>	<u>2008</u>
Community Foundation of Westmoreland County – Now and Forever Grant	\$ 7,500	\$ 1,382

Permanently restricted net assets are available for the following purpose and periods:

	<u>2009</u>	<u>2008</u>
Israel Savings Bond – 5 year maturity Interest rate 4.73%. Interest earned permitted to use for Corporation’s operations. Upon maturity, principal will be reinvested in additional Israel Bonds.	\$ 400	\$ 300

NOTE D—RELATED PARTIES

Related parties of the organization are as follows:

- The current Executive Director and a member of the Advisory Board are married.
- A member of the Board also serves on a steering committee of another Faith In Action Organization.

NOTE E—BOARD OF DIRECTOR DONATIONS

Members of the Board of Directors are encouraged, but not required, to make donations to help with the expense of preparing the annual report.