

ADVENTIST HUMANITARIAN RESOURCE CENTER

FINANCIAL STATEMENTS

AND

ACCOUNTANT'S COMPILATION REPORT

FOR

THE FISCAL YEAR ENDED DECEMBER 31, 2009

BRAMBLE & ASSOCIATES, LLC

Certified Public Accountants

ADVENTIST HUMANITARIAN RESOURCE CENTER
FINANCIAL STATEMENTS
AND
ACCOUNTANT'S COMPILATION REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

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BRAMBLE & ASSOCIATES, LLC
Certified Public Accountants

Accountant's Compilation Report

To the Board of Directors
Adventist Humanitarian Resource Center
8441 E. Roosevelt Boulevard
Philadelphia, PA 19152-2002

We have compiled the accompanying statement of financial position of Adventist Humanitarian Resource Center, "AHRC" for the twelve months ended December 31, 2009 and the related statement of activities, and the statement of cash flows for the twelve months then ended, in accordance with Statements and Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of the management of AHRC. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them.

Bramble & Associates, LLC

Date: June 28, 2010

**ADVENTIST HUMANITARIAN RESOURCE CENTER
STATEMENT OF FINANCIAL POSITION
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

ASSETS

Current Assets

Cash In Bank	\$	47,986
Accounts Receivable		100
 Total Current Assets		48,086

TOTAL ASSETS

\$ 48,086

LIABILITIES AND NET ASSETS

Accounts Payable		265
Deferred Revenue		-
 Total Liabilities		265

NET ASSETS

Unrestricted		47,821
Temporarily Restricted		-
Permanently Restricted Funds		-
 Total Net Assets		47,821

TOTAL LIABILITIES AND NET ASSETS

\$ 48,086

**ADVENTIST HUMANITARIAN RESOURCE CENTER
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

REVENUE:

Grants	\$	3,658
Contributions		2,070
In-Kind Contributions		10,700
Donated Services		2,400
Investment Income		9
Misc - Other Income		-
 TOTAL REVENUE		 18,837

EXPENSES:

Community Fair		20,822
Philadelphia Educational Opportunities Program (PEOP)		6,847
Management and General		12,452
 TOTAL EXPENSES		 40,120
 Increase (Decrease) in unrestricted net assets		 (21,283)
 Unrestricted Net Assets - Beginning of the Year		 69,104
 Unrestricted Net Assets - End of the Year	 \$	 47,821

**ADVENTIST HUMANITARIAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

<u>EXPENSES</u>	Community		Total	Administration	Total
	Fair	PEOP	Program		
Advertising & Promotion	\$ 533	\$ -	\$ 532.67	\$ -	\$ 533
Gifts In-Kind	10,700	-	10,700	-	10,700
Supplies	3,457	-	3,457	877	4,334
Books and Literature	-	-	-	148	148
Travel	40	-	40	-	40
Consultants and Professional Fees	6,077	6,847	12,924	8,462	21,386
Telephone	-	-	-	136	136
Miscellaneous	15	-	15	-	15
Donated Space	-	-	-	2,400	2,400
Bank Charges	-	-	-	16	16
Broadband Access	-	-	-	412	412
TOTAL FUNCTIONAL EXPENSES	\$ 20,822	\$ 6,847	\$ 27,669	\$ 12,452	\$ 40,120

**ADVENTIST HUMANITARIAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in Net Assets	\$ (21,283)
(Increase)/Decrease in Receivables	(100)
Increase/(Decrease) in Accounts Payable and Accrued Expenses	(4,468)
Net Cash (utilized) provided by operating activities	<u>(25,851)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Net Cash (utilized) provided by investing activities	-
Net (decrease) increase in cash and cash equivalents	<u>(25,851)</u>
Cash and cash equivalents - beginning of year	73,837
Cash and cash equivalents - end of year	<u><u>\$ 47,986</u></u>

**ADVENTIST HUMANITARIAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

NOTE 1 ORGANIZATION AND PURPOSE

The Adventist Humanitarian Resource Center (AHRC) is a Philadelphia-based, 501(c)(3) tax-exempt organization whose purpose is to unite Individuals, Community Agencies and Institutions to provide compassionate services for Community Members in need. Our *mission* is to empower individuals and families by providing educational support and life-enhancing opportunities. Working with local institutions AHRC helps to organize and sponsor annual Community Fair in various neighborhoods. AHRC developed the Philadelphia Educational Opportunities Program (PEOP) initiative to provide educational support and personal development of high school students through life skills training and opportunities for community service.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A Basis of Accounting

This summary of significant accounting policies of AHRC is presented to assist in the understanding of AHRC's financial statements, which are prepared on the accrual basis of accounting. The financial statements and notes are a representation of AHRC's management, who are responsible for their integrity and objectivity.

AHRC has adopted Statement of Financial Accounting Standards (*SFAS*) No. 117, *Financial Statements of Not-For-Profit Organization*. Under FAS 117, AHRC is required to provide a statement of financial position, a statement of activities, and a statement of cash flows. It requires reporting amounts for AHRC's total assets, liabilities, and net assets in a statement of financial position; reporting the change in AHRC's net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows. This statement also requires classification of AHRC's net assets and its revenues, expenses, gains, and losses, based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets: permanently restricted, temporarily restricted, and unrestricted be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

AHRC does not have any permanently restricted net assets.

**ADVENTIST HUMANITARIAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Revenue Recognition

Contributions

AHRC has also adopted *SFAS No. 116, Accounting for contributions received and contributions made*. In accordance with SFAS No. 116, The Organization is required to distinguish between contributions received that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. This statement also requires recognition of the expiration of donor-imposed restrictions in the period in which the restrictions expire. This statement allows certain exceptions for contribution of services and works of art, historical treasures, and similar assets. Contribution of services are recognized only 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. Contributions are recognized as revenues when they are received or unconditionally pledged.

Contract revenues from federal and state awarding agencies are accounted for as exchange transactions in the statement of activities and changes in net assets. The legal and contractual requirements of each program are used as guidance in applying this concept. Funds received in advance of their use are accounted for as unearned revenue in the statement of financial position. Amounts that are spent in accordance with contract requirements but not yet received are accounted for as grants and contracts receivable. Unexpected contract funds are recorded as grants payable at the end of the contract period.

C. Functional Expenses

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

**ADVENTIST HUMANITARIAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Tax Status

AHRC was incorporated in the Commonwealth of Pennsylvania in October 2008. AHRC is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code and from state income taxes under similar state provisions. It is also considered a public charity under appropriate sections of the Code, which allow donations to AHRC to be deductible as charitable contributions on income tax returns. AHRC will file its corporation tax returns Internal Revenue Service Form 990N “Return of Organization Exempt from Income Tax” for the calendar year ending December 31, 2009.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

F. Cash

AHRC maintains its cash in separate bank accounts. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) for the maximum amount allowed by law of up to \$250,000 per depositor, effective October 3, 2009 for time and demand deposit accounts. At December 31, 2009, AHRC’s cash balances were fully insured by the FDIC.

**ADVENTIST HUMANITARIAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009**

G. In-kind Support

AHRC recognizes contributed professional services if the services received (1) create or enhance nonfinancial assets or (2) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributions of tangible assets and materials are recognized at fair market value when received.

AHRC records the value of donated use of facilities when there is an objective basis available to measure its value. Donated use of facilities is recorded at the estimated fair market value in the accompanying consolidated financial statements as an unrestricted contribution and a corresponding expense.

NOTE 3 FAIR VALUES

Cash, accounts receivable and accrued liabilities are considered financial instruments. The carrying values of these financial instruments approximate fair value because of their immediate or short term maturity.