



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Christian Legal Society

I have audited the accompanying Statements of Financial Position of Christian legal Society (a nonprofit organization) as of December 31, 2012 and 2011, and the related Statements of Activities and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Legal Society as of December 31, 2012 and 2011, 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses 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.

Manassas, VA  
May 7, 2013

**Christian Legal Society**  
**Statement of Financial Position**  
**At December 31, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Current Assets		
Cash	\$ 47,485	\$ 50,504
Accounts and Grants Receivable	9,701	12,918
Pledges Receivable, net	161,663	119,474
Prepaid expenses and other current assets	24,578	35,631
Total Current Assets	<u>243,427</u>	<u>218,527</u>
Property and Equipment, Net	95,660	107,400
Other Assets	<u>8,199</u>	<u>7,817</u>
<b>Total Assets</b>	<b><u>\$ 347,286</u></b>	<b><u>\$ 333,744</u></b>
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts Payable	\$ 59,799	\$ 47,238
Lines of Credit	105,427	92,843
Accrued Payroll Liabilities	22,614	6,069
Accrued Vacation Expense	7,660	19,461
Deferred Revenue	6,384	123,251
Total Current Liabilities	<u>201,884</u>	<u>288,862</u>
Long-Term Liabilities		
Subtenant Security Deposit	1,288	1,288
Total Long-Term Liabilities	<u>1,288</u>	<u>1,288</u>
Total Liabilities	203,172	290,150
Net Assets		
Unrestricted - undesignated	134,114	38,594
Temporarily restricted	10,000	5,000
Total Net Assets	<u>144,114</u>	<u>43,594</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 347,286</u></b>	<b><u>\$ 333,744</u></b>

**Christian Legal Society**  
**Statement of Activities**  
**For the Years Ended December 31, 2012 and 2011**

	<b>2012</b>			<b>2011</b>		
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Support and Revenue</b>						
Contributions	\$ 558,182		\$ 558,182	\$ 610,342	\$ 32,000	\$ 642,342
Grants	91,000	10,000	101,000	116,705		116,705
Membership Contributions & Dues	489,533		489,533	337,541		337,541
Conference Registration	209,942		209,942	228,843		228,843
Released from restriction	-	(5,000)	(5,000)	34,500	(34,500)	-
Sale of Resources	16,684		16,684	22,774		22,774
Total Support & Revenue	1,365,341	5,000	1,370,341	1,350,705	(2,500)	1,348,205
<b>Expenses</b>						
Program Services						
Attorney Ministries	262,924	-	262,924	293,958	-	293,958
Legal Aid Ministries	126,660	-	126,660	103,784	-	103,784
Conferences	283,521	-	283,521	297,143	-	297,143
Law Student Ministries	171,370	-	171,370	120,677	-	120,677
Center for Law and Religious Freedom	274,167	-	274,167	297,396	-	297,396
Total Program Services	1,118,642	-	1,118,642	1,112,958	-	1,112,958
Supporting Services:						
Administration	67,373	-	67,373	90,658	-	90,658
Development	110,321	-	110,321	132,908	-	132,908
Total Supporting Services	177,694	-	177,694	223,566	-	223,566
Total Expenses	1,296,336	-	1,296,336	1,336,524	-	1,336,524
Other Income/(Expenses)	26,515	-	26,515	22,197	-	22,197
<b>Increase (Decrease) in Net Assets</b>	<b>\$ 95,520</b>	<b>\$ 5,000</b>	<b>\$ 100,520</b>	<b>\$ 36,378</b>	<b>\$ (2,500)</b>	<b>\$ 33,878</b>
<b>Net Assets, Beginning of Year</b>	<b>\$ 38,594</b>	<b>\$ 5,000</b>	<b>\$ 43,594</b>	<b>\$ 2,216</b>	<b>\$ 7,500</b>	<b>\$ 9,716</b>
<b>Net Assets, End of Year</b>	<b>\$ 134,114</b>	<b>\$ 10,000</b>	<b>\$ 144,114</b>	<b>\$ 38,594</b>	<b>\$ 5,000</b>	<b>\$ 43,594</b>

See the Accompanying Accountant's Report and Notes to the Financial Statements

**Christian Legal Society**  
**Schedule of Functional Expenses**  
**For the Year Ended December 31, 2012**

	Program Services						Support Services		
	<u>Attorney</u>	<u>Legal Aid</u>		<u>Law</u>	<u>Center for Law</u>	<u>Total</u>			
	<u>Ministries</u>	<u>Ministries</u>	<u>Conferences</u>	<u>Student</u>	<u>&amp; Religious</u>	<u>Program</u>	<u>Administration</u>	<u>Development</u>	<u>Total</u>
				<u>Ministries</u>	<u>Freedom</u>	<u>Services</u>			
Salaries & Benefits	\$ 122,584	\$ 70,348	\$ 46,726	\$ 105,680	\$ 213,415	\$ 558,753	\$ 24,644	\$ 75,634	\$ 659,031
Computer Expenses	2,393	180	904	1,364	2,915	7,756	729	824	9,309
Chapter/Membership Support	6,169	-	214,518	993	-	221,680	-	-	221,680
Scholarships	-	-	275	130	-	405	-	-	405
Employee Related Expenses	-	-	-	-	-	-	1,111	-	1,111
Bank Charges	20,366	-	-	-	-	20,366	6,341	135	26,842
CLRF-Advocacy	-	-	-	-	12,586	12,586	-	-	12,586
Office Expenses	10,450	5,000	-	12,531	9,633	37,614	2,134	789	40,537
Travel	10,000	5,730	(565)	12,140	-	27,305	18,493	3,957	49,755
Headquarters Facility Costs	12,207	9,330	4,611	6,956	6,462	39,566	3,720	4,201	47,487
Equipment & Supplies	13,512	1,019	5,104	7,700	16,462	43,797	4,118	4,650	52,565
Office Services	1,179	18,422	3,569	5,384	2,654	31,208	2,879	6,607	40,694
Caging & Database Management	7,744	6,333	3,972	5,992	10,040	34,081	3,204	3,619	40,904
Publications:									
Christian Lawyer	38,026	10,298	4,407	9,284	-	62,015	-	-	62,015
JCLT	3,195	-	-	3,216	-	6,411	-	-	6,411
Donor Appeal	-	-	-	-	-	-	-	9,905	9,905
Dues Renewal	15,099	-	-	-	-	15,099	-	-	15,099
CL Digest	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
	<u>\$ 262,924</u>	<u>\$ 126,660</u>	<u>\$ 283,521</u>	<u>\$ 171,370</u>	<u>\$ 274,167</u>	<u>\$ 1,118,642</u>	<u>\$ 67,373</u>	<u>\$ 110,321</u>	<u>\$ 1,296,336</u>

See the Accompanying Accountant's Report and Notes to the Financial Statements

**Christian Legal Society**  
**Schedule of Functional Expenses**  
**For the Year Ended December 31, 2011**

	<u>Attorney</u> <u>Ministries</u>	<u>Legal Aid</u> <u>Ministries</u>	<u>Conferences</u>	<u>Law</u> <u>Student</u> <u>Ministries</u>	<u>Center for Law</u> <u>&amp; Religious</u> <u>Freedom</u>	<u>Total</u> <u>Program</u> <u>Services</u>	<u>Administration</u>	<u>Development</u>	<u>Total</u>
Salaries & Benefits	\$ 164,431	\$ 58,164	\$ 23,774	\$ 87,176	\$ 235,963	\$ 569,508	\$ 49,637	\$ 90,225	\$ 709,370
Computer Expenses	4,214	528	525	1,924	5,109	12,300	1,050	1,452	14,802
Chapter/Membership Support	3,993	-	236,206	800	-	240,999	-	-	240,999
Employee Related Expenses	81	-	33	-	-	114	1,835	940	2,889
Bank Charges	-	-	3,919	-	-	3,919	6,855	153	10,927
CLRF-Advocacy	-	-	-	-	15,795	15,795	-	-	15,795
Office Expenses	132	-	2,105	9,225	7,116	18,578	12,495	1,869	32,942
Travel	10,077	10,147	14,030	3,795	-	38,049	9,552	3,132	50,733
Headquarters Facility Costs	13,808	10,138	1,719	6,304	8,330	40,299	3,278	4,757	48,334
Equipment & Supplies	10,652	1,333	1,326	4,863	12,913	31,087	2,530	3,670	37,287
Office Services	8,220	7,672	1,054	3,864	7,336	28,146	2,009	3,859	34,014
Caging & Database Management	2,709	5,451	637	2,335	3,795	14,927	1,214	1,762	17,903
CLSNet Website Costs	2,470	107	107	391	1,039	4,114	203	295	4,612
Publications:									
Christian Lawyer	51,222	10,244	-	-	-	61,466	-	4,284	65,750
Conference	-	-	11,708	-	-	11,708	-	-	11,708
Donor Appeal	9,318	-	-	-	-	9,318	-	16,510	25,828
Dues Renewal	12,631	-	-	-	-	12,631	-	-	12,631
	<u>\$ 293,958</u>	<u>\$ 103,784</u>	<u>\$ 297,143</u>	<u>\$ 120,677</u>	<u>\$ 297,396</u>	<u>\$ 1,112,958</u>	<u>\$ 90,658</u>	<u>\$ 132,908</u>	<u>\$ 1,336,524</u>

**Christian Legal Society**  
**Statement of Cash Flows**  
**For the Years Ended December 31, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 100,520	\$ 33,878
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and Amortization	33,214	25,021
Changes in assets and liabilities affecting operations:		
Accounts and Grants receivable	3,217	14,845
Pledges receivable, net	(42,189)	(80,138)
Prepaid expenses and other current assets	11,053	(17,486)
Other Assets	(382)	(2,667)
Accounts Payable	12,561	20,883
Accrued Vacation expense	(11,801)	(3,019)
Payroll Liabilities	16,545	(16,697)
Deferred Revenue	(116,867)	(7,558)
Net cash used in operating activities	<u>5,871</u>	<u>(32,938)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(21,474)</u>	<u>(78,228)</u>
Net cash used in investing activities	<u>(21,474)</u>	<u>(78,228)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from (Payments to) lines of credit	<u>12,584</u>	<u>40,231</u>
Net cash provided by financing activities	<u>12,584</u>	<u>40,231</u>
<b>Net Increase (Decrease) in Cash</b>	<b>\$ (3,019)</b>	<b>\$ (70,935)</b>
<b>Cash, Beginning of Year</b>	<b>\$ 50,504</b>	<b>\$ 121,439</b>
<b>Cash, End of Year</b>	<b>\$ 47,485</b>	<b>\$ 50,504</b>
 <b>Interest paid during the year</b>	 <b>\$ 5,857</b>	 <b>\$ 1,602</b>

**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**A. ABOUT THE CHRISTIAN LEGAL SOCIETY (CLS)**

**History** - Founded in 1961, Christian Legal Society (CLS) is a national, non-profit, religious, membership association of lawyers, judges, law professors, law students, paralegals, legal assistants, and associated friends of the society. All officers, directors, employees, and members of CLS, as a condition of the employment and/or membership, affirm the following statement of faith:

*Trusting in Jesus Christ as my savior, I believe in:*

- *One God, eternally existent in three persons: Father, Son, and Holy Spirit.*
- *God the Father Almighty, maker of heaven and earth.*
- *The deity of our Lord Jesus Christ, God's only son, conceived of the Holy Spirit, born of the virgin Mary; His vicarious death for our sins through which we receive eternal life; His bodily resurrection and personal return.*
- *The presence and power of the Holy Spirit in the work of regeneration.*
- *The Bible as the inspired word of God.*

**Structure** - For over 50 years, CLS members have been "Seeking justice with the Love of God" through four primary ministries:

**Attorney Ministries**

CLS attorney chapters throughout the country provide legal professionals with a wide range of opportunities. These include Christian fellowship and spiritual development, discipleship, law student mentoring, contributions to The Christian Lawyer magazine, legal referrals, and volunteer legal service on behalf of the poor and needy.

**Law Student Ministries**

CLS helps students in law schools across the country integrate their Christian faith with the study and eventual practice of law. Our Law Student Ministries include Bible studies, one-on-one mentoring, student-focused conferences, and faith-based curriculum services to law schools.

**Legal Aid Ministries**

Since 2000, thousands of CLS members have donated hundreds of thousands of legal service hours to helping the disadvantaged untangle legal issues, seek Christian guidance for personal problems, and understand their rights under the law.

**Center for Law and Religious Freedom (CLRF)**

As the country's oldest Christian advocacy ministry for religious liberty, CLRF has initiated law suits, filed amicus briefs, argued cases, and worked with Congress to defend our Constitution's First Amendment protection of religious freedom.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting** – The accompanying consolidated financial statements of the Society have been prepared on the accrual basis of accounting where revenue is recorded as earned and expenses are recorded as incurred.

**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**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 these estimates.

**Cash and cash equivalents** – For purposes of the statement of cash flows, all highly liquid debt instruments purchased with an original maturity of three months or less are considered to be cash equivalents.

**Property and Equipment** – Property and equipment are stated at cost. Donated assets are recorded at the estimated fair market value at the time of donation. Depreciation is provided for using the straight-line method, based on the estimated useful lives of the assets. Amortization is determined using the straight-line method over the estimated useful lives. Property and equipment costing over \$1,000 are capitalized.

**Donated materials and services** – The estimated fair value of donated materials and services, net of actual payments, if any, are reported as support and expense in the period of benefit. The total is made up of the use of facilities in Mt. Pleasant, Texas. For the years ended December 31, 2012 and 2011, donated materials totaled \$6,300 and \$6,300, respectively.

**Functional allocation of expenses** – The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the program services benefited.

**Income Taxes** – The Society is classified for federal income tax purposes as a Section 501(c)(3) organization exempt from income taxes as provided under Section 501(a) of the Internal Revenue Code.

**Promises to Give** – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the pledges are received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included in support until the conditions are substantially met. As of December 31, 2012 and 2011 there were no conditional promises to give, while unconditional promises to give were \$161,663 and \$119,474, respectively.

**Contributions** – Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions. As of December 31, 2012 and 2011, the Society had no permanently restricted net assets, while temporarily restricted net assets totaled \$10,000 and \$5,000, respectively.

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. When a restriction on a contribution is met in the same period that the contribution was received, the contribution is reported in the statement of activities as temporarily restricted revenue and as net assets released from restrictions.



**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**Deferred Revenue** – Funds and conference fees received in advance for specific purposes or events are deferred and recognized as revenue over the period to which they relate and when the events take place, respectively. Beginning in 2012, with the new contribution oriented membership structure and the fact that all membership dues are voluntary contribution amounts, payments are receipted as donations to the ministry. Given this, CLS recognizes membership dues as “Contributions” in the period in which they are received.

**Costs of Joint Activities** – FASB ASC 958-720-50-2, “*Accounting for Costs of Activities That Include Fund Raising*”, establishes accounting standards for recording costs associated with joint activities (activities which are part fundraising and have elements of one of more other functions, such as program or general and administrative). The pronouncement requires that the criteria of purpose, audience and content be met in order to allocate any portion of the costs of joint activities to a functional area other than fundraising. See Note J.

**C. PLEDGES RECEIVABLE**

Included in pledges receivable are the following unconditional promises to give as of December 31:

	<u>2012</u>	<u>2011</u>
Unconditional promises to give before unamortized discount and reserve	\$ 161,663	\$ 119,474
Less: Unamortized discount	-	-
Subtotal	<u>161,663</u>	<u>119,474</u>
Less: Reserve	-	-
Net unconditional promises to give	<u><u>161,663</u></u>	<u><u>119,474</u></u>
Amounts due in:		
Less than one year	\$ 161,663	\$ 119,474
One to five years	-	-
More than five years	-	-
Total gross unconditional promises to give	<u><u>\$ 161,663</u></u>	<u><u>\$ 119,474</u></u>

**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**D. PROPERTY AND EQUIPMENT**

The major classes of property and equipment, along with their respective accumulated depreciation and net worth, are as follows as of December 31:

	<u>2012</u>	<u>Accum Depr</u>	<u>Net</u>
Leasehold Improvements	28,296	16,176	12,120
Furniture	10,173	10,173	-
Equipment	76,961	47,726	29,235
Website and Software	49,602	36,154	13,448
Computers	111,891	71,034	40,857
	<u>276,923</u>	<u>181,263</u>	<u>95,660</u>

  

	<u>2011</u>	<u>Accum Depr</u>	<u>Net</u>
Leasehold Improvements	28,296	13,085	15,211
Furniture	11,490	11,490	-
Equipment	76,961	41,055	35,906
Website and Software	60,053	35,704	24,349
Computers	110,408	78,474	31,934
	<u>287,208</u>	<u>179,808</u>	<u>107,400</u>

Depreciation and amortization expense for the years ended December 31, 2012 and 2011 totaled \$33,214 and \$25,021, respectively.

**E. LINES OF CREDIT**

The Society maintains a line of credit with a financial institution up to \$75,000, which is collateralized by the Society's furniture, fixtures and equipment. The line of credit is due on demand and bears interest at the rate of prime plus 1.5%. At December 31, 2012 and 2011, the balance on the line of credit was \$70,000 and \$74,000 respectively. The Society also has a consumer credit card with the same financial institution. At December 31, 2012 and 2011, the balance on the consumer credit card was \$35,427 and \$18,843 respectively.

**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**F. LEASES**

The Organization was obligated to pay on a lease for 3,089 square feet in an office building on the third floor of 8100 Braddock Road, Springfield, Virginia. The lease runs through November 30, 2014, but is terminable by Christian Legal Society at any point on 12-months' advance written notice to the Lessor. The following is a schedule for future minimum lease payments at December 31, 2012:

For the years ending December 31,	Rent Out	Rents In	Net
2013	67,677	16,883	50,794
2014	63,739	15,940	47,799
Total	<u>\$ 131,416</u>	<u>\$ 32,823</u>	<u>\$ 98,593</u>

Christian Legal Society also subleased portions of this facility to Child Evangelism Fellowship (CEF). CEF's sublease runs through the end of November 2014, and their base rent increases at 3% per year. CEF currently subleases 722 square feet.

For the years ended December 31, 2012 and 2011, rent expense for Christian Legal Society totaled \$65,706 and \$63,784, respectively.

**G. RELATED PARTY TRANSACTIONS**

A Board of Director for the Society is a partial owner of a Law Firm that the Society had contracted with. During 2012 and 2011, the Society was invoiced \$3,220 and \$4,646, respectively, for these services. At December 31, 2012 and 2011 the amounts due to the Law Firm included in accounts payable were \$0 and \$865, respectively.

The Former Executive Director owns an Organization which has a shared employee arrangement with CLS. The amount paid from the other organization to reimburse CLS for services paid by CLS during the period the Executive Director was with CLS was \$11,486 and \$14,466 for the years ended December 31, 2012 and 2011 respectively.

**H. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at December 31 are available for the following purposes:

	<u>2012</u>	<u>2011</u>
National Student Conference	\$ -	\$ 5,000
Legal Aid	\$ 10,000	\$ -
Total temporarily restricted net assets	<u>\$ 10,000</u>	<u>\$ 5,000</u>

For the years ended December 31, 2012 and 2011, net assets in the amount of \$10,000 and \$5,000, respectively, were released from donor restrictions by incurring expenses satisfying the restricted purpose, which related to the Alliance Defense Fund, conference, scholarships and other expenses.

**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**I. RETIREMENT PLAN**

The Society maintains a tax deferred annuity pension plan, qualified under Section 403(b) of the Internal Revenue Code, for eligible employees with at least two years of full-time service, working at least 1,000 hours per year. The Society contributes 5% of the annual salary of each participant. Pension expense totaled \$16,675 and \$10,962 for the years ended December 31, 2012 and 2011, respectively.

**J. ALLOCATION OF JOINT ACTIVITIES**

During 2012 and 2011, CLS incurred joint costs of approximately \$93,430 and \$120,529, respectively, for website costs and informational materials primarily related to mailings that included fundraising appeals. Pursuant to FASB ASC 958-720-50-2 (See Note B) these costs were allocated to the functional areas as follows:

	<u>2012</u>	<u>2011</u>
Program Services	83,525	99,237
Supporting Services:		
Development	9,905	21,089
Administration	-	203
Total	<u>93,430</u>	<u>120,529</u>

**K. INTEREST EXPENSE**

The amount of Interest Expense for the year ended December 31, 2012 and 2011 totaled \$5,857 and \$1,602, respectively. These expenses are included in Bank Charges and Equipment Expenses.

**L. OTHER INCOME**

Items included in Other Income on the Statement of Activities for the year ended December 31, 2012 are listed below:

Reimbursed Expenses	<u>\$ 22,348</u>
Total	<u><u>\$ 22,348</u></u>

**Christian Legal Society**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

Items included in Other Income on the Statement of Activities for the year ended December 31, 2011 are listed below:

Reimbursed Expenses	\$ 22,348
Interest income	(19)
Net apprec (deprec) investments	(132)
Miscellaneous	-
Total	<u>\$ 22,197</u>

**M. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through information known as of May 7, 2013 which is the date of these financial statements were available to be issued.