

ROOFTOP FOUNDATION
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2008

ROOFTOP FOUNDATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rooftop Foundation
Nashville, Tennessee

We have audited the accompanying statement of financial position of Rooftop Foundation (a nonprofit organization) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Foundation'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 Rooftop Foundation as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Frasier, Dean & Howard, PLLC

May 6, 2009

ROOFTOP FOUNDATION
STATEMENT OF FINANCIAL POSITION
December 31, 2008

Assets

Current assets:	
Cash	\$ 46,672
Pledges receivable	<u>14,300</u>
Total assets	<u><u>\$ 60,972</u></u>

Liabilities and Net Assets

Current liabilities:	
Accrued expenses	<u>\$ 463</u>
Total liabilities	<u>463</u>
Net assets:	
Unrestricted	46,209
Temporarily restricted	<u>14,300</u>
Total net assets	<u>60,509</u>
Total liabilities and net assets	<u><u>\$ 60,972</u></u>

See accompanying notes.

ROOFTOP FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue:			
Contributions	<u>\$ 181,040</u>	<u>\$ 14,300</u>	<u>\$ 195,340</u>
Total revenue	<u>181,040</u>	<u>14,300</u>	<u>195,340</u>
Expenses:			
Program services	149,930	-	149,930
General and administrative	<u>22,964</u>	<u>-</u>	<u>22,964</u>
Total expenses	<u>172,894</u>	<u>-</u>	<u>172,894</u>
Change in net assets	8,146	14,300	22,446
Net assets - beginning of year	<u>38,063</u>	<u>-</u>	<u>38,063</u>
Net assets - end of year	<u><u>\$ 46,209</u></u>	<u><u>\$ 14,300</u></u>	<u><u>\$ 60,509</u></u>

See accompanying notes.

ROOFTOP FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2008

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries	\$ -	\$ 8,982	\$ 8,982
Payroll taxes	-	399	399
	<hr/>	<hr/>	<hr/>
Total salaries and related benefits	-	9,381	9,381
Rent Assistance	127,389	-	127,389
Utilities Assistance	22,541	-	22,541
Consulting Professional Fees	-	7,900	7,900
Administrative Fee	-	3,063	3,063
Grant Writing	-	687	687
Accounting Professional Fees	-	625	625
Postage and Delivery	-	456	456
Office Supplies	-	384	384
Licenses and Permits	-	200	200
Printing and Reproduction	-	148	148
Dues and Subscriptions	-	120	120
	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 149,930</u>	<u>\$ 22,964</u>	<u>\$ 172,894</u>

See accompanying notes.

ROOFTOP FOUNDATION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2008

Cash flows from operating activities:	
Change in net assets	\$ 22,446
Adjustment to reconcile change in net assets to net cash provided by operating activities	
Change in operating assets and liabilities	
Pledges receivable	(14,300)
Accrued expenses	<u>463</u>
Net cash provided by operating activities	<u>8,609</u>
Net increase in cash	8,609
Cash - beginning of year	<u>38,063</u>
Cash - end of year	<u><u>\$ 46,672</u></u>

See accompanying notes.

ROOFTOP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature and Organization

Rooftop Foundation (the “Foundation”) is a nonprofit organization, formed to provide rent, mortgage and utility assistance to individuals at risk of losing their homes in the Nashville area.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and contributions are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – net assets that are not subject to donor imposed restrictions.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally donors of these assets may permit the Foundation to use all or part of the income earned for general or specific purposes. At December 31, 2008, the Foundation had no permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Contributions

The majority of the Foundation’s support is derived from contributions by private individuals, religious organizations, and foundations.

The Foundation accounts for contributions in accordance with Statement of Financial Accounting Standard (“SFAS”) No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Under SFAS No. 116, such contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the donor restrictions.

ROOFTOP FOUNDATION
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services

Contributed services are recognized if the services received (a) create or enhance long-lived 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.

Income Taxes

The Foundation has qualified for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among program and supporting services based on estimates by management.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of contributions receivable to be received in 2009. Amounts restricted totaled \$14,300 at December 31, 2008.

NOTE 3 – CONCENTRATIONS

The Foundation received approximately 12% of its revenue from one contributor during 2008. A reduction in the level of this support, if it were to occur, could have an adverse effect on the Foundation's programs and activities.