

Financial Statements

Family Foundation Fund, Inc.

December 31, 2007

FAMILY FOUNDATION FUND, INC.

Financial Statements

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— CERTIFIED PUBLIC ACCOUNTANTS —

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Independent Accountants' Compilation Report

To the Board of Directors
Family Foundation Fund, Inc.

We have compiled the accompanying statement of financial position of Family Foundation Fund, Inc. as of December 31, 2007, and the related statements of activities, functional expenses and cash flows for the year then ended, in accordance with Statements on 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 management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Foundation's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Rayburn, Bates & Fitzgerald, P.C.

June 2, 2008

FAMILY FOUNDATION FUND, INC.

Statement of Financial Position

December 31, 2007

Current assets:	
Cash and cash equivalents	\$ 95,772
Accounts receivable, no allowance necessary	90
Inventory	10,520
Investments	<u>33,351</u>
Total current assets	139,733
Property and equipment, net of accumulated depreciation of \$14,657	<u>230,580</u>
Total assets	\$ <u><u>370,313</u></u>
Current liabilities:	
Accounts payable	\$ <u>9,300</u>
Total current liabilities	<u>9,300</u>
Net assets:	
Unrestricted	332,813
Temporarily restricted	<u>28,200</u>
	<u>361,013</u>
Total liabilities and net assets	\$ <u><u>370,313</u></u>

See independent accountants' compilation report.

FAMILY FOUNDATION FUND, INC.

Statement of Activities

For the Year Ended December 31, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue:			
General donations	\$ 273,237	-	273,237
Father's House campaign	-	22,250	22,250
Interest	402	-	402
Gain on disposal of property and equipment	-	22,517	22,517
Other	4,543	-	4,543
	<hr/>	<hr/>	<hr/>
Total revenue	278,182	44,767	322,949
Net assets released from restrictions	64,103	(64,103)	-
	<hr/>	<hr/>	<hr/>
	342,285	(19,336)	322,949
Expenses:			
Education and support	179,332	-	179,332
Management and general	150,958	-	150,958
Fundraising	3,904	-	3,904
	<hr/>	<hr/>	<hr/>
Total expenses	334,194	-	334,194
Change in net assets	8,091	(19,336)	(11,245)
Net assets, January 1, 2007	324,722	47,536	372,258
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Net assets, December 31, 2007	\$ 332,813	28,200	361,013
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See independent accountants' compilation report.

FAMILY FOUNDATION FUND, INC.

Statement of Functional Expenses

For the Year Ended December 31, 2007

	Program Services	Supporting Services		
	Education and Support	Management and General	Fund Raising	Total
Salaries	\$ 71,342	71,341	-	142,683
Contract labor	155	-	-	155
Total salaries and related expenses	71,497	71,341	-	142,838
Advertising	175	-	502	677
Automobile	12,686	4,229	-	16,915
Bank service charges	-	2,631	-	2,631
Charitable donations	3,250	-	-	3,250
Communications	2,119	6,358	-	8,477
Professional services	8,539	25,616	-	34,155
Special events and fundraiser	-	-	3,402	3,402
Supplies	3,635	3,634	-	7,269
Travel	3,679	3,679	-	7,358
Training	-	190	-	190
Postage and shipping	-	6,830	-	6,830
Educational expenses	55,836	-	-	55,836
Occupancy	-	9,544	-	9,544
Dues and subscriptions	-	614	-	614
Gifts and incentives	227	-	-	227
Insurance	-	5,594	-	5,594
Repairs and maintenance	-	692	-	692
Father's House land rental	-	7,000	-	7,000
General program expense	8,293	-	-	8,293
Taxes, licenses, and permits	-	1,001	-	1,001
Utilities	-	1,057	-	1,057
Miscellaneous	-	948	-	948
Total expenses before depreciation	169,936	150,958	3,904	324,798
Depreciation	9,396	-	-	9,396
Total expenses	\$ 179,332	150,958	3,904	334,194

See independent accountants' compilation report.

FAMILY FOUNDATION FUND, INC.

Statement of Cash Flows

For the Year Ended December 31, 2007

Cash flows from operating activities:	
Change in net assets	\$ (11,245)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	9,396
Gain from sale of property and equipment	(22,517)
Contribution of investment	(1,000)
Decrease in accounts receivable	61,063
Decrease in accounts payable	<u>(11,878)</u>
Net cash provided by operating activities	<u>23,819</u>
Cash flows from investing activities:	
Purchase of property and equipment	(64,661)
Proceeds from sale of property and equipment	<u>53,800</u>
Net cash used by investing activities	<u>(10,861)</u>
Net decrease in cash and cash equivalents	12,958
Cash and cash equivalents at beginning of year	<u>82,814</u>
Cash and cash equivalents at end of year	<u><u>\$ 95,772</u></u>

See independent accountants' compilation report.