

**FAMILY FOUNDATION FUND, INC.  
FINANCIAL STATEMENTS  
AND  
ACCOUNTANTS' COMPILATION REPORT  
YEAR ENDED DECEMBER 31, 2004**

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# BLANKENSHIP CPA GROUP, PLLC

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

## ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors  
Family Foundation Fund, Inc.

We have compiled the accompanying statement of assets, liabilities and net assets-modified cash basis of Family Foundation Fund, Inc. (a Tennessee not-for-profit corporation, the "Entity"), as of December 31, 2004, and the related statement of revenues, expenses and changes in net assets-modified cash basis 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. The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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 substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Entity's assets, liabilities, net assets, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Family Foundation Fund, Inc.

*Blankenship CPA Group, PLLC*

January 27, 2005

FAMILY FOUNDATION FUND, INC.  
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS  
MODIFIED CASH BASIS  
DECEMBER 31, 2004

**ASSETS**

CURRENT ASSETS	
Cash and cash equivalents	\$ 132,632
Pledges receivable	1,200
Investments	<u>13,250</u>
Total Current Assets	<u>147,082</u>
PROPERTY AND EQUIPMENT	
Land	35,700
Furniture and equipment, net of accumulated depreciation of \$13,214	<u>21,726</u>
Total Property and Equipment - Net	<u>57,426</u>
OTHER ASSET	
Advance - book publishing	<u>10,520</u>
TOTAL ASSETS	<u><u>\$ 215,028</u></u>

**LIABILITIES AND NET ASSETS**

CURRENT LIABILITIES	
Accounts payable	\$ 3,349
Payroll taxes payable	<u>1,538</u>
Total Current Liabilities	<u>4,887</u>
NET ASSETS	<u>210,141</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 215,028</u></u>

See Accountants' Compilation Report.

FAMILY FOUNDATION FUND, INC.  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
MODIFIED CASH BASIS  
YEAR ENDED DECEMBER 31, 2004

REVENUES	
Contributions	\$ 453,827
Interest income	51
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Total Revenues	453,878
EXPENSES	
Program services	187,055
Management and general	112,999
Fundraising	14,329
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Total Expenses	314,383
INCREASE IN NET ASSETS	<hr/> 139,495
NET ASSETS, BEGINNING OF THE YEAR AS PREVIOUSLY REPORTED	51,890
PRIOR PERIOD ADJUSTMENTS	<hr/> 18,756
NET ASSETS, BEGINNING OF THE YEAR - RESTATED	<hr/> 70,646
NET ASSETS, END OF THE YEAR	<hr/> <hr/> \$ 210,141

See Accountants' Compilation Report.