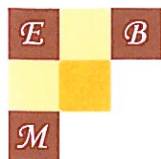


**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
FINANCIAL STATEMENTS,  
SUPPLEMENTAL SCHEDULES,  
AND  
INDEPENDENT AUDITORS' REPORT  
YEARS ENDED JUNE 30, 2008 AND 2007**

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
FINANCIAL STATEMENTS,  
SUPPLEMENTAL SCHEDULES  
AND  
INDEPENDENT AUDITORS' REPORT  
YEARS ENDED JUNE 30, 2008 AND 2007**

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*Edmondson, Betzler & Montgomery, PLLC*  
(Certified Public Accountants)

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Junior Achievement of Middle Tennessee, Inc.

We have audited the accompanying statement of financial position of Junior Achievement of Middle Tennessee, Inc. (the "Organization") as of June 30, 2008, 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. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements for 2007 were audited by other auditors whose report dated July 27, 2007, expressed an unqualified opinion on those statements.

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 provide 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 Junior Achievement of Middle Tennessee, Inc., as of June 30, 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.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules, as listed in the table of contents, on pages 14 through 19 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Edmondson, Betzler & Montgomery, PLLC*

August 18, 2008

**JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2008 AND 2007**

	2008	2007
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 300,263	\$ 176,783
Contributions receivable currently due, net	466,140	368,781
Prepaid expenses and other current assets	<u>45,161</u>	<u>29,222</u>
Total current assets	811,564	574,786
Property and equipment, net	648,444	841,244
Non-current contributions receivable, net	<u>849,689</u>	<u>923,513</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,309,697</u></u>	<u><u>\$ 2,339,543</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 171,100	\$ 141,689
Current portion of notes payable	68,669	32,611
Current portion of capital lease obligation	<u>1,511</u>	<u>1,224</u>
Total current liabilities	241,280	175,524
<b>LONG-TERM DEBT</b>		
Notes payable, net of current portion	314,760	426,588
Capital lease obligation, net of current portion	<u>431</u>	<u>1,942</u>
Total liabilities	<u>556,471</u>	<u>604,054</u>
<b>NET ASSETS</b>		
Unrestricted	703,537	661,726
Temporarily restricted	<u>1,049,689</u>	<u>1,073,763</u>
Total net assets	<u>1,753,226</u>	<u>1,735,489</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 2,309,697</u></u>	<u><u>\$ 2,339,543</u></u>

The accompanying notes are an integral part of these financial statements.

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2008 AND 2007

	2008			2007		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues and other support						
Contributions:						
Corporations and individuals	\$ 266,618	\$ 230,826	\$ 497,444	\$ 345,381	\$ 249,301	\$ 594,682
Special events	1,291,576	-	1,291,576	854,337	-	854,337
Total contributions	1,558,194	230,826	1,789,020	1,199,718	249,301	1,449,019
Program fees	91,616	-	91,616	95,971	-	95,971
Other	20,142	-	20,142	16,316	-	16,316
Interest income	6,906	-	6,906	6,866	-	6,866
Net assets released from restrictions	254,900	(254,900)	-	625,361	(625,361)	-
Total revenues and other support	1,931,758	(24,074)	1,907,684	1,944,232	(376,060)	1,568,172
Expenses						
Functional expenses:						
Program services	1,212,646	-	1,212,646	1,403,926	-	1,403,926
Management and general	141,150	-	141,150	153,652	-	153,652
Fundraising	144,804	-	144,804	162,423	-	162,423
Total functional expenses	1,498,600	-	1,498,600	1,720,001	-	1,720,001
Special events	333,591	-	333,591	285,780	-	285,780
Franchise and licensee fees	57,756	-	57,756	51,838	-	51,838
Total expenses	1,889,947	-	1,889,947	2,057,619	-	2,057,619
INCREASE (DECREASE) IN NET ASSETS	41,811	(24,074)	17,737	(113,387)	(376,060)	(489,447)
NET ASSETS, BEGINNING OF THE YEAR	661,726	1,073,763	1,735,489	775,113	1,449,823	2,224,936
NET ASSETS, END OF THE YEAR	<u>\$ 703,537</u>	<u>\$ 1,049,689</u>	<u>\$ 1,753,226</u>	<u>\$ 661,726</u>	<u>\$ 1,073,763</u>	<u>\$ 1,735,489</u>

The accompanying notes are an integral part of these financial statements.

**JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2008 AND 2007**

	2008	2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 17,737	\$ (489,447)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	199,614	210,294
Donated assets	-	(700)
Loss on sale of equipment	-	2,555
(Increase) decrease in contributions receivable, net	(23,535)	492,652
Increase in prepaid expenses and other current assets	(15,939)	(5,156)
Increase in accounts payable and accrued expenses	<u>29,411</u>	<u>14,058</u>
Net cash provided by operating activities	<u>207,288</u>	<u>224,256</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(6,814)	(48,339)
Proceeds from sale of equipment	<u>-</u>	<u>14,200</u>
Net cash used by investing activities	<u>(6,814)</u>	<u>(34,139)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings and refinancing of notes payable	240,000	40,954
Proceeds from capital lease obligation	-	3,929
Principal payments on and refinancing of notes payable	(315,770)	(232,019)
Principal payment on capital lease obligation	<u>(1,224)</u>	<u>(763)</u>
Net cash used by financing activities	<u>(76,994)</u>	<u>(187,899)</u>
 Increase in cash and cash equivalents	123,480	2,218
 CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>176,783</u>	<u>174,565</u>
 CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u><u>\$ 300,263</u></u>	<u><u>\$ 176,783</u></u>
 <u><b>SUPPLEMENTAL DISCLOSURES</b></u>		
 CASH PAID DURING THE YEAR FOR INTEREST	<u><u>\$ 35,815</u></u>	<u><u>\$ 49,525</u></u>
NON-CASH INVESTING ACTIVITY: donated property and equipment	<u><u>\$ -</u></u>	<u><u>\$ 700</u></u>

The accompanying notes are an integral part of these financial statements.

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Junior Achievement of Middle Tennessee, Inc. (the "Organization") was chartered as a not-for-profit corporation on August 31, 1957, and organized as a franchise of Junior Achievement, Inc. Since 1919, Junior Achievement, Inc. has been educating and inspiring young people to value free enterprise, understand business and economics, and improve the quality of their lives. Through partnerships and collaborations between businesses, educators, and other not-for-profit organizations, approximately 41,637 students in kindergarten through twelfth grade, in 232 schools throughout middle Tennessee, benefited from the economic education programs. The programs also meet the state's curriculum requirements for economics, with the aid of 2,413 volunteer role models from business, industry and the community. Junior Achievement's funding support comes primarily from businesses, foundations, special events and individuals.

In addition to providing in-school classroom programs the Organization operates JA BizTown. During the JA BizTown on-site experience, students learn what it takes to create a business, operate a budget, advertise and sell products, supervise employees, hold elected office, as well as personally earn and manage money.

Basis of Accounting

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America using the accrual method of accounting.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets based on the existence or absence of donor-imposed restrictions.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a 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 statements of activities as net assets released from restrictions.



**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Contributions receivable

Contributions receivable, less an allowance for uncollectible amounts, are recognized as revenues in the period promised and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Amounts expected to be collected within the next fiscal year are classified as current assets at the face value of the receivable. Amounts which are not collectible within the next fiscal year are recorded as non-current contributions receivable, using the estimated present value of the future cash flows.

Donated Material and Services

Contributions of donated material that are useable for program services, fundraising, and support of management and general functions are recorded at their estimated fair values in the period received. Contributions of donated services requiring specialized skills and which would typically need to be purchased if not donated, are recorded at their estimated fair values in the period received.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. As of June 30, 2008, the Organization has no donated property or equipment which is restricted.

The fair value of donated volunteer services is not reflected in the accompanying financial statements since it is not practicable to objectively determine the fair value of the service received. However, management estimates that a substantial number of volunteers have donated significant amounts of their time as instructors, chapter advisors and as fundraisers.

Cash and Cash Equivalents

Cash includes amounts on hand and on deposit in financial institutions. Cash equivalents include highly liquid investments with an original maturity of three months or less.



**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Property and Equipment

Property and equipment are carried at cost if purchased and at estimated fair value if donated, less accumulated depreciation. Significant additions and improvements are capitalized. Repairs and maintenance are charged to expense as incurred. Depreciation is provided on a straight-line basis over the following estimated useful lives:

	<b>Years</b>
Tenant improvements	10
Furniture and equipment	3 - 7
Automobile	5

Income Taxes

Junior Achievement is a not-for-profit service organization exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income taxes are not provided.

Functional Allocation

Allocation of costs on a functional basis is dependent upon management's estimate of the percentage of staff time incurred in conjunction with each activity and the nature of the expense.

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

**NOTE 2 - CONCENTRATION OF CREDIT RISK**

The Organization maintains its cash in bank deposit accounts in financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. At June 30, 2008, the Organization maintained cash balances of \$210,928 that were not FDIC insured.

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 3 - CONTRIBUTIONS RECEIVABLE**

Contributions receivable as of June 30, 2008 and 2007 are summarized as follows:

	<b>2008</b>	<b>2007</b>
United Way (from donor designations)	\$ 8,106	\$ 9,746
JA BizTown program	1,294,048	1,382,188
Other corporations and individuals	<u>293,986</u>	<u>226,847</u>
	1,596,140	1,618,781
Less discounts to net present value	(270,311)	(316,487)
Less allowance for uncollectible amounts	<u>(10,000)</u>	<u>(10,000)</u>
Total	<u><u>\$ 1,315,829</u></u>	<u><u>\$ 1,292,294</u></u>

The net amounts are classified in the statements of financial position as follows:

	<b>2008</b>	<b>2007</b>
Current portion	\$ 466,140	\$ 368,781
Non-current portion	<u>849,689</u>	<u>923,513</u>
Total	<u><u>\$ 1,315,829</u></u>	<u><u>\$ 1,292,294</u></u>

The current portion represents the face value of contributions collectible within the next fiscal year. The non-current portion represents the present value of amounts due after one year. The non-current portion was discounted using a 5% annual interest rate to estimate present value. This rate is used in all subsequent periods to update the estimated present value of this pledge as follows:

	<b>2008</b>	<b>2007</b>
Due in one to five years	\$ 373,643	\$ 391,783
Due after five years	<u>476,046</u>	<u>531,730</u>
Total non-current portion	<u><u>\$ 849,689</u></u>	<u><u>\$ 923,513</u></u>

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 4 - PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

	<b>2008</b>	<b>2007</b>
Tenant improvements	\$ 1,272,201	\$ 1,272,201
Furniture and equipment	590,069	583,647
Automobile	<u>36,193</u>	<u>36,193</u>
	1,898,463	1,892,041
Less accumulated depreciation	<u>(1,250,019)</u>	<u>(1,050,797)</u>
Net	<u><u>\$ 648,444</u></u>	<u><u>\$ 841,244</u></u>

Depreciation expense was \$199,614 and \$210,294 for the years ended June 30, 2008 and 2007, respectively.

**NOTE 5 - NOTES PAYABLE**

The Organization's outstanding debt at June 30 was as follows:

	<b>2008</b>	<b>2007</b>
Note payable to bank	\$ 349,700	\$ 419,600
Note payable to Toyota Motor	<u>33,729</u>	<u>39,599</u>
	383,429	459,199
Less current portion	<u>(68,669)</u>	<u>(32,611)</u>
Total non-current portion	<u><u>\$ 314,760</u></u>	<u><u>\$ 426,588</u></u>

During 2007, the Organization extended the balance of their note payable to the bank and their revolving line of credit into a new bank note with an original amount of \$616,400. The note is payable in monthly principal payments of \$5,200 with interest due monthly at a rate of LIBOR plus .50%. The note matures September 2009 and is collateralized by contributions receivable and equipment.

Also during 2007, the Organization traded in their vehicle and acquired a new note payable to Toyota Motor due in monthly installments aggregating \$689 including interest at 6.49% and maturing March 2013 and is collateralized by the automobile.

The Organization has a \$200,000 revolving line-of-credit with Bank of America with interest at a floating rate, 6.5% at June 30, 2008. The credit agreement expires in September, 2008. This line of credit had a zero balance at June 30, 2008.

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 5 - NOTES PAYABLE (CONTINUED)**

Maturities of notes payable are as follows:

Year Ending June 30,	Amount
2009	\$ 68,669
2010	293,986
2011	7,133
2012	7,607
2013	6,034
	<u>\$ 383,429</u>

Interest expense was \$35,256 and \$48,951 for the years ended June 30, 2008 and 2007, respectively.

The Organization had an interest swap agreement with Bank of America for its outstanding debt to the Bank. The Organization entered into this agreement to manage its risk between its floating and variable interest rates. The term of the agreement ran out in March 2007 and was not renewed. Excess interest cost for the year ended June 30, 2007 amounted to approximately \$624.

**NOTE 6 - CAPITAL LEASE**

The Organization has a capital lease on computer equipment. The lease provides for monthly payments of \$149 for 36 months. At June 30, 2008 the computer equipment is carried at a cost of \$3,929 less accumulated depreciation of \$1,637. The following is a summary by year of future minimum lease payments for this capital lease:

Fiscal Year Ending June 30,

2009	\$ 1,783
2010	<u>445</u>
Total minimum lease payments	2,228
Less estimated amount representing interest	<u>(286)</u>
Present value of net minimum capital lease payments	1,942
Less: Current portion	<u>(1,511)</u>
Long-term obligation under capital lease	<u>\$ 431</u>

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets as of June 30 were restricted for the following purposes:

	2008	2007
Contributions receivable restricted for JA BizTown program	\$ 1,024,689	\$ 1,068,513
Grant for technology equipment	<u>25,000</u>	<u>5,250</u>
Total temporarily restricted net assets	<u>\$ 1,049,689</u>	<u>\$ 1,073,763</u>

**NOTE 8 - AGENCY FUND**

On January 13, 1995, the Organization created the Junior Achievement Agency Fund (the "Fund") with the Nashville Area Community Foundation (the "Foundation"). The Organization retains the right to make future contributions to the Fund and to suggest the manner in which income of the Fund is distributed to charitable organizations, including the Organization, which otherwise meet the eligibility standards of the Foundation.

The Foundation has ultimate authority and control over all property of the Fund, including income derived therefrom, for use in conjunction with the charitable purposes of the Foundation, therefore, these assets are not included in the financial statements of the Organization. The Fund is charged an asset management fee by the Foundation equal to 0.75% of the current value of the Fund annually, payable quarterly in arrears.

The market value of the Fund was \$112,936 and \$123,740 as of June 30, 2008 and 2007, respectively.

**NOTE 9 - DONATED MATERIALS AND SERVICES**

The Organization receives donated materials and services ("in-kind" contributions) in the normal course of its operations, to include program materials, special events, fundraising goods or services, property and equipment and office supplies. The estimated fair values of these items are included in the statements of activities for the years ended June 30, 2008 and 2007 as follows:

	2008	2007
Special events	\$ 121,865	\$ 47,377
Program materials	150	8,693
Management and general	7,080	1,892
Property and equipment	<u>-</u>	<u>700</u>
Total in-kind contributions	<u>\$ 129,095</u>	<u>\$ 58,662</u>

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 10 - OPERATING LEASE**

Junior Achievement of Middle Tennessee, Inc. leases its administrative offices and JA BizTown facilities under an operating lease expiring August 31, 2011. Junior Achievement pays certain operating expenses in addition to the base rent.

Future minimum rental commitments are as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2009	\$ 142,273
2010	148,663
2011	155,356
2012	<u>26,079</u>
Total	<u>\$ 472,371</u>

Rent amounted to \$137,208 and \$131,727 for the years ended June 30, 2008 and 2007, respectively.

**NOTE 11 - COMMITMENTS**

As a franchisee of Junior Achievement, Inc., the Organization pays franchise fees based on contribution revenue. The fees are based on contributions for the prior fiscal year ended, paid monthly in equal installments.

As a franchise of JA Worldwide, operating the JA BizTown program in Nashville, the Organization pays license fees based on the number of students utilizing the program. The fees are \$2.50 per student up to a \$25,000 annual maximum.

Total franchise and licensee fees were \$57,756 and \$51,838 for 2008 and 2007, respectively.

**JUNIOR ACHIEVEMENT  
OF MIDDLE TENNESSEE, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED JUNE 30, 2008 AND 2007**

**NOTE 12 - PENSION PLAN**

The Organization participates in the Junior Achievement, Inc. non-contributory, defined benefit pension plan (the "Plan"), which is available to all employees who have completed one year of service and work at least 1,000 hours a year.

Contributions

The Organization's contribution is actuarially determined to fund future anticipated benefits. Forfeitures of the Organization's contributions occur when a participant terminates employment and is not 100% vested. Any forfeitures are used to reduce subsequent contributions by the Organization. Total pension expense was \$39,074 and \$57,014 for the years ended June 30, 2008 and 2007, respectively.

Benefits

Benefits (for normal, early, or late retirement) are payable monthly based on years of service and average earnings, as defined in the Plan document.

Vesting

Prior to retirement or attaining age 65 (when all participants become 100% vested), participants vest in the Organization's contributions as follows:

<b>Years of Service</b>	<b>Vesting %</b>
Less than 3 years	0%
3 years and over	100%

Investments

The Plan's assets are invested by the Equitable Life Assurance Society of the United States. The Organization's allocable portion of total Plan assets is not readily determinable.



## **SUPPLEMENTAL SCHEDULES**

**JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2008**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and benefits	\$ 452,872	\$ 56,609	\$ 56,609	\$ 566,090
Program materials	154,506	-	-	154,506
Rent	109,766	13,721	13,721	137,208
Repairs and maintenance	71,879	8,985	8,985	89,849
Employee insurance	51,364	6,421	6,420	64,205
Payroll taxes	33,000	4,125	4,125	41,250
Retirement benefits	31,259	3,907	3,908	39,074
Interest	28,652	3,582	3,581	35,815
Utilities	28,109	3,513	3,514	35,136
Telephone	14,966	1,871	1,871	18,708
Business insurance	10,046	1,255	1,256	12,557
Staff training	10,040	1,255	1,255	12,550
Subscriptions	8,765	1,096	1,095	10,956
Program insurance	10,821	-	-	10,821
Marketing	-	-	9,803	9,803
Volunteer training	9,729	-	-	9,729
Contract labor	8,090	-	-	8,090
Office supplies	5,262	657	658	6,577
Business development	-	-	6,332	6,332
Audit	-	5,400	-	5,400
Travel	3,828	479	478	4,785
Postage	3,450	431	432	4,313
Outside services	3,431	429	429	4,289
Computer expense	1,866	234	233	2,333
Public relations	1,104	138	138	1,380
	<u>1,052,805</u>	<u>114,108</u>	<u>124,843</u>	<u>1,291,756</u>
Total functional expenses before depreciation and in-kind items				
Depreciation	159,691	19,962	19,961	199,614
In-kind items	150	7,080	-	7,230
	<u>159,841</u>	<u>27,042</u>	<u>19,961</u>	<u>206,844</u>
Total functional expenses	<u>\$ 1,212,646</u>	<u>\$ 141,150</u>	<u>\$ 144,804</u>	<u>\$ 1,498,600</u>

**JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.**  
**SCHEDULE OF SPECIAL EVENTS**  
**YEAR ENDED JUNE 30, 2008**

**BOWL-A-THON**

Revenues:

Cash contributions	\$ 282,516
In-kind contributions	8,604
Total Revenues	<u>291,120</u>

Expenses:

Awards/luncheon	28,960
T-shirts	15,027
Lanes fees	7,440
Printing/miscellaneous	4,192
Online/credit card fees	3,911
Décor/supplies/photos	3,719
Concessions	660
Total Expenses	<u>63,909</u>
Net	<u><u>\$ 227,211</u></u>

**US BUSINESS HALL OF FAME**

Revenues:

Cash contributions	\$ 433,552
In-kind contributions	92,261
Total Revenues	<u>525,813</u>

Expenses:

Advertising	92,261
Total Expenses	<u>92,261</u>
Net	<u><u>\$ 433,552</u></u>

**AWARENESS BREAKFAST**

Revenues:

Cash contributions	\$ 62,682
Total Revenues	<u>62,682</u>

Expenses:

Reception/dinner/AV equipment	8,798
Printing/signs/supplies	904
Awards	87
Postage/courier	5
Total Expenses	<u>9,794</u>
Net	<u><u>\$ 52,888</u></u>

**JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.**  
**SCHEDULE OF SPECIAL EVENTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2008**

**GOLF TOURNAMENT**

Revenues:	
Cash contributions	\$ 331,611
In-kind contributions	21,000
Total Revenues	<u>352,611</u>
Expenses:	
Awards/gifts	57,280
Dining and refreshments	63,002
Course fees	16,000
Sign/printing	2,733
Supplies/photography	1,733
Miscellaneous	445
Total Expenses	<u>141,193</u>
Net	<u><u>\$ 211,418</u></u>

**STOCK MARKET CHALLENGE**

Revenues:	
Cash contributions	\$ 59,350
Total Revenues	<u>59,350</u>
Expenses:	
Room rental/food/AV	15,429
Fundraiser Inc. fees	9,928
Awards	885
Promo items/supplies	84
Printing	108
Total Expenses	<u>26,434</u>
Net	<u><u>\$ 32,916</u></u>

TOTAL SPECIAL EVENTS, REVENUES*	\$ 1,291,576
TOTAL SPECIAL EVENTS, EXPENSES*	<u>333,591</u>
NET	<u><u>\$ 957,985</u></u>

* Total in-kind amounts included in revenues and expenses	<u><u>\$ 121,865</u></u>
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JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.  
SCHEDULE OF ACTIVITIES BY DIVISION  
YEAR ENDED JUNE 30, 2008

	Junior Achievement Program Activities	JA BizTown Program Activities	Total
<b>Revenues and other support</b>			
Contributions - special events	\$ 1,291,576	\$ -	\$ 1,291,576
Contributions - corporations and individuals	291,618	205,826	497,444
Program fees	-	91,616	91,616
Other	10,581	9,561	20,142
Interest income	6,740	166	6,906
	<u>1,600,515</u>	<u>307,169</u>	<u>1,907,684</u>
<b>Total revenues and other support</b>			
	<u>1,600,515</u>	<u>307,169</u>	<u>1,907,684</u>
<b>Expenses</b>			
Salaries and wages	405,507	160,583	566,090
Special events	333,591	-	333,591
Program materials	133,897	20,609	154,506
Rent	55,420	81,788	137,208
Repairs and maintenance	46,236	43,613	89,849
Employee insurance	52,592	11,613	64,205
Franchise and licensee fees	38,311	19,445	57,756
Payroll taxes	29,393	11,857	41,250
Retirement benefits	30,105	8,969	39,074
Interest	18,460	17,355	35,815
Utilities	14,054	21,082	35,136
Telephone	11,225	7,483	18,708
Business insurance	7,072	5,485	12,557
Staff training	11,991	559	12,550
Subscriptions	9,833	1,123	10,956
Program insurance	10,821	-	10,821
Marketing	7,951	1,852	9,803
Volunteer training	8,305	1,424	9,729
Contract labor	2,619	5,471	8,090
In-kind items	7,080	150	7,230
Office supplies	2,959	3,618	6,577
Business development	6,332	-	6,332
Audit	3,240	2,160	5,400
Travel	4,496	289	4,785
Postage	3,858	455	4,313
Outside services	2,314	1,975	4,289
Computer expense	935	1,398	2,333
Public relations	1,260	120	1,380
	<u>1,259,857</u>	<u>430,476</u>	<u>1,690,333</u>
<b>Total expenses before depreciation</b>			
	<u>1,259,857</u>	<u>430,476</u>	<u>1,690,333</u>
<b>INCREASE (DECREASE) IN NET ASSETS BEFORE DEPRECIATION</b>	340,658	(123,307)	217,351
<b>Depreciation</b>	14,687	184,927	199,614
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>\$ 325,971</u>	<u>\$ (308,234)</u>	<u>\$ 17,737</u>



Junior Achievement of Middle Tennessee, Inc. Area # 106803

## Supplemental Schedule to the Audit

FOR PERIOD ENDED JUNE 30, 2008

REVENUE AND EXPENSE	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
<b>REVENUE (GROSS)</b>				
Contributions (Exclusive of Special Events)				
- Corporations	222,660	-	-	222,660
- Individual	61,878	205,826	-	267,704
- Foundation	-	-	-	-
Special Events (Gross)	1,291,576	-	-	1,291,576
Less Special Event expenses (please see attached sheet for allocable expenses)	333,591	-	-	333,591
Net Special events income	957,985	-	-	957,985
Realized Gains or Losses on investments	6,906	-	-	6,906
Unrealized Gains or Losses on investments	-	-	-	-
Contributed Services (Inkind)	7,080	-	-	7,080
Governmental Income	-	-	-	-
Other Income	111,758	-	-	111,758
Net Assets Released From Restrictions	254,900	(254,900)	-	-
<b>TOTAL REVENUE</b>	<b>1,623,167</b>	<b>(49,074)</b>	<b>-</b>	<b>1,574,093</b>
<b>EXPENSES</b>				
Program Expense	1,212,646	-	-	1,212,646
General & Administrative	198,906	-	-	198,906
Fund Raising	144,804	-	-	144,804
<b>TOTAL EXPENSES</b>	<b>1,556,356</b>	<b>-</b>	<b>-</b>	<b>1,556,356</b>
<b>SURPLUS/(DEFICIT)</b>	<b>66,811</b>	<b>(49,074)</b>	<b>-</b>	<b>17,737</b>
<b>STATEMENT OF FINANCIAL POSITION</b>				
ASSETS	1,285,008	1,024,689	-	2,309,697
LIABILITIES	556,471	-	-	556,471
BEGINNING NET ASSETS	661,726	1,073,763	-	1,735,489
SURPLUS/(DEFICIT)	66,811	(49,074)	-	17,737
ADJUSTMENTS/TRANSFERS	-	-	-	-
ENDING NET ASSETS	728,537	1,024,689	-	1,753,226
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,285,008</b>	<b>1,024,689</b>	<b>-</b>	<b>2,309,697</b>

Please indicate total income not subject to License fees. (ATTACH DETAIL LIST)

883,006

Please indicate total Depreciation and/or Amortization

199,614

*Edmondson, Betty & Montgomery, PLLC*  
Auditor's Signature

8/28/2008  
Date

License Fee Paid

57,756

**JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.**  
**YEAR ENDED JUNE 30, 2008**

**INCOME NOT SUBJECT TO LICENSE FEES:**

Special event - U.S. Hall of Fame	\$ 433,552
JA BizTown revenue	307,003
Contributed goods and services	128,945
Board member dues	6,600
Investment income	<u>6,906</u>
	<u>\$ 883,006</u>